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REPORT ON GANDHI 29 DECEMBER PRESS CONFERENCE

Calcutta THE STATESMAN in English 30 Dec 81 pp 1, 9

[Text] At a Press conference at Raj Bhavan in Calcutta on Tuesday, the Prime Minister stressed the need for India's defence preparedness and for friendly relations and cooperation with the neighbouring countries.

During her seven-hour visit to West Bengal, Mrs Gandhi laid the foundation of the super thermal project at Farakka and of the low temperature coal carbonization plant at Dankuni and inaugurated the golden jubilee celebrations of the Indian Statistical Institute.

Asked if India was heading towards a war with Pakistan in 1982, Mrs Gandhi said it was difficult to predict. It was found that in the past war had been thrust on India and one could not foresee the course of events simply on the basis of logic and reason.

India, she reiterated, had never committed aggression but she had been attacked five or six times. Pakistan now talked of a no-war pact with India and India responded to it. Many people nowadays were talking about peace but were actually preparing for war. The acquisition of sophisticated weapons by Pakistan had become a source of tension.

Striking a mellower tone than in Bolpur, Mrs Gandhi said that she had been told about the 30% bogus voters in the electoral roll for the Assembly elections in West Bengal. There was no way to prove the veracity of the allegation. The State Government should vindicate its stand by trying to rectify the roll.

Asked about the conditions of the IMF loan, the Prime Minister categorically said that India had not accepted any condition imposed by the IMF. This was the wish of Parliament and the Government could not go against it.

Referring to the Bangla Bandh called by the Left Front, she said it was a gimmick. It was extraordinary that a Government sponsored a cease-work. "If they do not want to help the people, they should tell the people so."

Replying to a question, Mrs Gandhi said that the Opposition parties only repeated the allegations her party had made against them. The charge of non-functioning against her Government had no basis because a non-functioning

Government could not get the IMF loan. The economic situation, she added, was difficult. Prices had gone up and the defence expenditure was an additional burden. But now things were improving despite heavy odds and the country was at a take-off stage for further improvement.

Asked if she was happy with the West Bengal organization of her party, she said there were still some quarrels but party members were trying to work together under difficult conditions.

The Prime Minister said at an earlier public meeting at Farakka that if the State Governments did not cooperate with the Centre, the country's problems could not be tackled successfully.

Mrs Gandhi admitted that the State Governments could not be given as much financial assistance by the Centre as they demanded. But that was only because of paucity of resources in the country, she added.

She said nobody could say that West Bengal had been deprived by the Centre. In fact, at the National Development Council's meetings, the Chief Ministers of the Congress (I)-led Governments had complained that the Centre was showing greater favour to the State Governments run by the Opposition parties.

The Prime Minister said the National Thermal Power Corporation's project at Farakka was a very important one for the country. The plant here would supply electricity to West Bengal and its neighbouring States. She hoped that the people of Calcutta would get some relief after the plant was commissioned.

She said it was only after the Congress (I) was returned to power that a new direction was given and priorities determined for the economic development of the country. Power generation had been given first priority by the Government because it was the key to all progress, she explained.

Mrs Gandhi said that after the Janata Party came in power, the country's economic development took a plunge. Whatever had been gained before was lost in three to four years.

She said Janata was never a cohesive party, not even for a single day. It had no ideology or programme. The Janata Party was created by people and groups who were interested only in power. They were trying again to unite.

She wondered how the CPI(M), which claimed to be progressive, could join hands with the Right forces, belonging to the former Janata Party, both inside and outside Parliament.

Mr A.B.A. Ghani Khan Chowdhury, Union Energy Minister, urged the NTPC authorities to commission the first unit at Farakka by October, 1984, ahead of schedule. He said if the State Electricity Boards could have utilized 55% of their capacities, the shortfall in power in the country, estimated at 10%, could have been met.

The Farakka super thermal power plant is the first NTPC project in West Bengal. It envisages a 2,100 MW plant, to be built at a cost of Rs 1,300 crores. The first

phase of the project for 600 MW will be built at a cost of Rs 320 crores. The first unit in the first phase for 200 MW, for which Mrs Gandhi laid the foundation stone, is scheduled to be ready by 1985. The other two units of 200 MW each are expected to be commissioned by the end of June 1986.

The NTPC sources said here today that work on the project was begun in April 1979. So far, land acquisition was almost complete on the West Bengal side and the process of acquisition had begun in Bihar. Out of a total requirement of 4,000 acres for the project, 2,300 acres had been acquired. Earth filling and piling work was going on. The development of infrastructure facilities for the project had also been taken up, the sources added.

Mrs Gandhi's meeting today drew a big crowd. From early morning, thousands of people, who came in special trains and trucks, were seen walking towards the meeting ground.

A Staff Reporter adds: At a public meeting at Dankuni, Mrs Gandhi said that some people, apparently trying to promote the interests of their party, created impediments for industrial projects. Such activity harmed the interests of both the Centre and the State Governments.

The Prime Minister said the country would have to pay a price for its march to socialism. In India, the poor had to sacrifice most. They were evicted from their land whenever an industrial project was taken up.

Mrs Gandhi advised the planners of projects to see to it that the minimum of land was acquired for a project. She said that as much land as possible should be left undisturbed for food production. She also referred to the problem of pollution.

The Prime Minister said that some people evicted from their land for the Dankuni project would be given employment in the project itself. She, however, hoped that small and medium projects would come up along with the big project whereby people would be self-employed. She added that not only should production in farms and factories increase but there should be effective channels for distribution of goods even in far-flung areas.

Mr Khan Chowdhury said that

the Rs 70-crore project was expected to be completed in 1984. The project when commissioned would produce 1,000 tons of smokeless coke for domestic consumers. Gas produced in the plant would be supplied to Calcutta. Tar and some chemicals would be available as by-products, Mr Khan Chowdhury added.

Inaugurating the golden jubilee celebrations of the Indian Statistical Institute, Mrs Gandhi said the country could not afford reckless expenditure and unproductive activity as the coming few years might prove difficult for the economy. All obstacles in the path of increased productivity must be overcome.

The Prime Minister said that a "large" gap in the balance of payments had been "imposed" on the country by factors like the rising oil bills and recessionary conditions in many other countries. Further promotion of exports was one way of reducing the balance of payments gap, she said.

Although there was scope for disciplining imports, Mrs Gandhi said that imports of essential items alone had been allowed. She, however, stressed the importance of raising output. "This is not a party programme, but a national goal", she said, while regretting that even this "consensus" on economic progress was sometimes "challenged" by narrow, partisan interests.

But a high rate of growth did not necessarily improve the economic condition, the Prime Minister said, and added that the growth had to be equitably shared. Outlining the priority for the next few years, she said that the output in food, energy and certain infrastructural sectors like coal and cement needed to be boosted. Referring to the oil crisis the world over, she said that coal could substitute for a time, but the country must find alternative sources of energy.

Referring to the expanding labour market, the Prime Minister said that while creating new jobs was an unavoidable imperative, it would be "disastrous" to "overstaff" crucial industrial units at the cost of productivity. Some small, labour-intensive units, as well as irrigation could help

create far more jobs she added. Land reforms were yet another important programme of the Government, which aimed at giving land to small farmers.

The Prime Minister described the Indian Statistical Institute as a "living monument to the vision of a great scientist", P. C. Mahalanobis. She recalled Mahalanobis's enthusiasm, dedication and perseverance and his long association with her father, Jawaharlal Nehru. She also remembered Mahalanobis's wife who, she said, gave unfailing help to her husband in his task of pioneering statistical research and its application to the country's economic development. She also recalled the services of Pitambar Pant to the institute.

With Mahalanobis as its guiding spirit, the institute played a vital role in making a modern India, Mrs Gandhi said referring to the way the institute helped Nehru give an industrial orientation to the second five-year plan. Describing the plan as a unique document, she said that it marked the watershed in India's economic planning. But Nehru did not neglect small industry and agriculture—a fact which was often ignored by "antagonistic critics" of the plan, the Prime Minister remarked.

Mr S. B. Chavan, Union Minister for Planning, called for a more sophisticated statistical approach to the changing demands of the economy.

Earlier, Dr C. R. Rao, former Director of the Institute, regretted that due to the distinction between the Indian Statistical Service and the Indian Economic Service, statisticians and economists often worked in isolation. Dr Rao stressed the need for using statistical techniques to increase industrial productivity. The application of these techniques could raise production by 10% to 100% without further investment or expansion.

Dr G. Kallianpur, another former Director of the Institute, regretted the relative negligence of the use of computers at the institute.

According to Dr B. P. Adhikari, Director of the Institute, representatives of the Academia Sinica of China, the Centre National de la Recherche Scientifique of France and the Academy of the Sciences of the USSR would take part, along with Indian scientists, in the conferences during the golden jubilee celebrations at the institute.

GANDHI NOTE TO BREZHNEV ON DISARMAMENT REPORTED

New Delhi PATRNOT in English 12 Dec 81 p 5

[Text]

Prime Minister Indira Gandhi has in a communication to Soviet President Leonid Brezhnev reaffirmed India's consistent stand in support of disarmament, especially nuclear disarmament, and ending of all experiments in the use of biological and chemical warfare.

Stating this in the Rajya Sabha in a written reply to a question by Mr N P Chengalaya Naidu (C-I), External Affairs Minister P V Narasimha Rao informed on Friday that Mrs Gandhi had also conveyed India's strong view that 'detente should not be confined to Europe but should apply equally to the rest of the world.'

Mr Rao told Mr Naidu that the Indian Government was not aware of any Soviet proposal specifically described as a 'proposal to reduce tension and promote trust and stability in the world,' but the Soviet President had made a series of proposals in his report to the 28th Congress of the Soviet Communist Party.

In his reply, Mr Rao stated that these proposals included

those concerning the promotion of a dialogue with the US, expanding the zone of confidence building measures, negotiating confidence building measures in the Far East also, limitations on various types of weapons, resumption of strategic arms limitation talks, moratorium and freezing medium range nuclear missiles in Europe, setting up of an international committee of scientists to intensify public awareness of the dangers of nuclear war, negotiations on the situation around Afghanistan and on Persian Gulf security, either together or separately.

The proposals were conveyed officially to the Government of India in a message President Brezhnev sent to Mrs Gandhi on 6 March this year.

Mr Rao also informed that the US and other Western countries, while expressing certain reservations, have indicated their willingness to negotiate on some of the proposals.

He further underlined that the Indian Government's commitment to and efforts in the cause of world peace were well known.

CSO: 4220/7549

SUPREME COURT RULES ON DELHI TRANSFER OF JUDGES

New Delhi PATRIOT in English 31 Dec 81 pp 1, 7

[Text] A constitutional seven-judge bench of the Supreme Court, by a thin four-to-three majority, on Wednesday upheld the transfer of Patna High Court Chief Justice K. B. N. Singh to Madras, non-continuance of Mr Justice S. N. Kumar as additional judge of the Delhi High Court, and the union law minister's controversial circular regarding judges.

Justice P. N. Bhagwati, D. A. Desai, Murtaza Fazal Ali and E. S. Venkatramiah, while dismissing a group of petitions seeking continuation of the services of Mr Kumar, observed that the Chief Justice of India and of the Delhi High Court had "effective" consultation on the subject prior to the discontinuation of Mr Kumar's services by the Centre on 6 June this year.

Those who upheld the validity of the transfer of Mr Justice Singh were Justices A. C. Gupta, V. D. Tulzapurkar, R. S. Pathak and Venkatramiah.

The Union Law Minister's circular of 18 March this year upheld by the majority, had asked the Chief Ministers of various States, excepting the north-east region, to get advance consent of the sitting additional and future incumbents for being appointed as permanent judges outside their native States.

While the outgoing Justice Gupta did not say anything on the Law Minister's circular, Justice Pathak declared that it had no legal status and Justice Tulzapurkar struck it down because it created "fear psychosis." The majority judges who stood by the circular were Justices Bhagwati, Desai Fazal Ali and Venkatramiah.

Former additional judge S. N. Kumar was not allowed extension by the Government following some graft charges were leveled against him by Delhi High Court Chief Justice Prakash Narain. However, Chandrachud had recommended the extension in the absence of material to confirm the charges.

The President of India, who is the appointing authority for the judges, relied upon the recommendations of Delhi High Court Chief Justice in view of the advice given to him by the Government. The President was bound by the advice in accordance with the Constitution.

However, Justice Tulzapurkar observed that no "fair play" had been done while refusing extension to Mr Kumar, while quoting the record put up before him.

He observed that the Union Law Minister and Delhi High Court Chief Justice had "abdicated their constitutional duty" which required that the Chief Justice Prakash Narain appraise Mr Kumar and the Law Minister see to it that this was done.

Justices Tulzapurkar, Gupta and Pathak directed that Mr Kumar's case go back to the President of India for reconsideration.

Whether or not the consent of the judge to be transferred was required. Justice Bhagwati and Justice Desai held the consent of the judge concerned was essential. While Justices Gupta, Tulzapurkar and Pathak have not stated any thing on this Justice Fazal Ali and Justice Venkatramiah said the consent of the judge was not required.

Interpreting Article 224 of the Constitution relating to appointment of additional judges, the Court expressed itself against short-term appointments such as for three months.

The bench, presided over by Justice Bhagwati, set at rest the controversy whether a person not directly involved could move the court for grievance redressal. It ruled that any member of the public having sufficient interest can approach it for enforcing constitutional or legal provisions.

Chief Justice Chandrachud had excluded himself from the constitution bench ostensibly because his recommendations on Mr Kumar's appointment and Mr Singh's transfer were at issue.

Supreme Court appointments were not specifically before the constitution bench in the case decided.

Justice Bhagwati, senior-most judge of the seven-member bench found fault with the present procedure of consulting the Chief Justice of India "alone" for Supreme Court appointments, saying "No power should be invested in a single individual, howsoever high and great he may be and howsoever honest and well meaning." He recommended "a collegium to make recommendation to the President in regard to appointment of a Supreme Court or High Court Judge."

Mr Prakash Narain was criticised by Justice Bhagwati for seeking to withhold from Mr Chandrachud the material he had against Mr Kumar. Mr Prakash Narain's anxiety, however, drew sympathy from Justice Fazl Ali.

Reflecting the majority view of Mr Singh's transfer, Justice Venkataramiah relied on Mr Chandrachud's affidavit that the transfer recommendation had nothing to do with any allegation of misbehaviour or incapacity against Mr Singh. There was, therefore, no basis for Mr Singh's apprehension that his transfer was "punishment."

GANDHI DISCUSSES PROBLEMS OF ECONOMY

Bombay THE TIMES OF INDIA in English 30 Dec 81 p 9

[Text] Calcutta, December 29. The Prime Minister, Mrs Indira Gandhi, said today the growth rate of our cereal production compared favourably with that of most countries, including China.

"Our emphasis now should be to reduce the magnitude of output fluctuations in bad years," she said, inaugurating the golden jubilee celebrations of the Indian Statistical Institute here.

Mrs Gandhi said the area under irrigation must be increased. Investment in public irrigation was our foremost task which must be executed with vigour.

Regarding edible oils, sugar and cotton, proper planning of the area under different crops, varietal improvements and increasing the intensity of land use through multiple cropping had had to be emphasised.

Oil Production

In energy, Mrs Gandhi said India had achieved some success in increasing oil production and discovery. But oil was an expensive commodity and "we cannot afford to waste any in non-essential use or unnecessary consumption."

The use of new sources of energy must be encouraged and greater attention paid to research and development because their long-term pay-off was likely to be large, she said.

The Prime Minister said coal could substitute for oil, to some extent. The country achieved an increase in coal production from 1972 to 1976, but this was not kept up. The question was not only of investment but of proper planning and organisation.

In electricity, steel, cement, nonferrous metals and other infrastructural items production from installed capacity must be maximised by proper management and price policy, she said, adding capacity had to be expanded to meet the growing needs of the economy. The internal resource generation of these units had to increase substantially, preferably through greater production and more efficient operation.

Besides, plan funds needed to be mobilised and invested, she said.

If infrastructure industries worked well and the railways, shipping, posts and communication improved their operation, the entire economy would get a forward thrust, the Prime Minister added.

Referring to the balance of payments gap, Mrs Gandhi said extra production was the key to minimising import bill. Export promotion was another way of closing the gap.

CSO: 4220/7552

POLICY ON ASIAN DEVELOPMENT BANK EXPLAINED

Madras THE HINDU in English 11 Dec 81 p 8

[Article by N. Ravi: "The Transition To Borrowing: A New Dimension to Economic Ties With Japan?"]

[Text]

IN the hierarchy of aid agencies, the Asian Development Bank would describe itself as a family doctor, in contrast to the senior specialist, the World Bank. Enjoined by its charter to pay special regard to the needs of small countries — there are quite a few in the South Pacific region covered by its operations — the Bank prides itself on its personalised service. Though a multilateral institution with 43 member countries, it has provided small loans and financed small projects which even some of the larger commercial banks would not deem worthy of their attention.

However, since April when after years of association as a low profile donor, India gave notice of its intention to borrow, the humble physician seems visibly shaken and gripped by the fear that the institution may be stretched beyond its capabilities. Not that the loan sought initially is in itself particularly large, even in the context of the ADB's scale of operations.

The Indian application is for \$2 billions over the five-year period 1983 to 1987. It was precisely this figure of \$400 millions a year that Gen. Zia of Pakistan dismissed as "peanuts" when offered by the Carter Administration in the United States, a senior Indian official in the Bank would remind one

As against this, a fairly healthy growth is projected in the Bank's lending — a 55 per cent rise between 1980 and 1983. Annual aid is expected to rise from \$1.68 billion in 1981 to \$2.35 billions in 1983. Besides, there are also proposals to increase the Bank's capital base — from the present level of \$8.8 billions to over \$20 billions during the period 1983 to 1987.

Reversal of relationship

What exactly prompted India to reverse its relationship with the Bank? The approach

to the ADB is part of the Government of India's attempt "to explore all avenues for additional external development financing", as the Finance Secretary, Mr. Melhotra, said in his letter to the then Bank President, Mr. Yoshida.

The aide memoire attached to the letter foresaw a rapid deterioration in the external account, with the trade deficit touching Rs. 9,200 crores and the payments deficit Rs. 6,162 crores in 1984-85. That would be mainly because of the rise in the oil bill which has doubled in the past two years, though at 0.2 barrels per person a year India's oil consumption per capita remains one of the lowest in the world. (The comparative figures for some of the other countries are Pakistan 0.4, Sri Lanka 0.5 and the Philippines 1.6)

The task of effecting structural adjustment as well as regular development required substantial external flows. The Sixth Plan expected to finance 90 per cent of the total public sector outlay through domestic resources, but there was still a gap of \$13.8 billions to be covered by external resources. The traditional bilateral and multilateral flows would cover only half this figure, and India was therefore turning to other sources.

The aide memoire also makes the point that in terms of per capita assistance, "India is one of the least aided countries". A healthy growth is projected for the Bank's operations, and "it should be possible to accommodate India's requirements without undue strain", it asserted.

Two types of aid

The ADB, like the World Bank, offers two types of assistance. The loans from its ordinary capital resources (OCR) bear a market-related rate of interest which since July this year has been fixed at 10.1 per

cent. The maturity period for these ranges from 10 to 30 years, with a grace period of two to seven years. It is this type of assistance that India has sought, not the concessional loan from the Bank's Asian Development Fund.

The Asian Development Fund which is made up of voluntary contributions from the members provides interest free loans with a service charge of one per cent repayable over 40 years including a 10 year grace period. The repayment is to be at two per cent a year for 10 years after the grace period, and four per cent a year thereafter. The ADF itself is replenished every three years and negotiations for ADF IV which will be effective from 1983 are already on.

The concessional assistance is disbursed to the Bank's low income members, on the basis of population, and on the basis of the current eligibility criteria, India would be entitled to 70 per cent of the total ADF allotment. If the Bank's policy is against any single member taking away so large a share, India's entitlement would be at least 33 per cent — the largest share now being allotted to Bangladesh.

Moderation

"However, the Government of India is anxious to exercise moderation so that while part of its own legitimate expectations are met, there should not be any major disruption for the low income countries which are now borrowing from the bank," notes the aide memoire.

"After careful consideration", Mr. Malhotra explains in his letter to the Bank President, "the Government of India has come to the conclusion that in spite of its large requirements of concessional funds on account of its population, low per capita income and balance of payments difficulties, it should refrain from borrowing from ADF resources till 1986. This view has been taken entirely in the interest of the other low income member countries of the Bank who are already borrowing from the ADF resources."

The letter, however, puts the Bank on notice that "India would be interested in drawing on the resources of ADF V (1986-89) if and when it becomes effective".

"The above conclusion", the letter adds, "is predicated on the assumption that India's requirements would be adequately met from the OCR funds of the Bank. India proposes to borrow from the OCR funds with effect from 1983".

ADB's response

The ADB's response after the initial shock has not exactly been over-enthusiastic. The then President, Mr. Yoshida, has acknowledged India's eligibility to borrow but has noted that the quantum could be determined only in 1982 when the Bank's proposed General Capital Increase III is firmly established. "Two billion dollars would be the upper limit for the period 1983-87", he said in his reply.

The reply is also hemmed in with two major qualifications. First, the Bank had been structured basically to promote the economic development of small and medium sized countries and "their requirements should have prior claim on the Bank". Second, ADB assistance would be "fairly small" in relation to the total external aid flows to India and would be confined to a few sectors in which the Bank has some expertise.

While the Bank now seems reconciled to India's new demands, the whispering campaign within has not abated. A typical comment is "If India comes, can China be far behind?" China is also a member but has refrained from asking for any loan so far. There seems to be a fear that if the two giants were to seek assistance, there would be little left for the smaller countries. Such in fact is the situation in the World Bank, for example.

Indian officials, however, dismiss the China factor as a "red herring". They point out that the largest recipients of aid from the ADB — Indonesia, South Korea, Pakistan and Bangladesh — are not exactly small countries and India would be asking for not more than the largest share being allotted now. Also, the two largest beneficiaries, Indonesia and South Korea, have substantially higher per capita incomes than India.

So far, the projects taken up by the Bank have been largely in agriculture and rural development, irrigation, fisheries, development finance institutions and light industry — areas in which India does not lack expertise. The task of financing large scale infrastructure development — in power, railways, coal, for instance — which the country has taken up would pose new challenges to the Bank's technical and project staff.

A Japanese show

Despite the presence of the United States and the rest of the industrialised West, the ADB has been largely a Japanese show. The President and some of the key officials are Japanese. While all members could bid for contracts and equipment supplies in Bank-financed projects, the bulk of the orders has gone to Japanese firms with the result the Japanese have come to regard the ADB as a virtual ex-*im* bank, as one official put it.

Will India's transition to borrowing add a new dimension to the economic ties with Japan? The Prime Minister Mrs. Gandhi, was lavish in her praise of Japan during her recent tour of South-East Asia and Australia.

"We can only point to the Japanese people who have shown the way almost in every direction", she said in her remarks at the ADB. Whether all this was just a polite expression of admiration in which the Japanese seem to be held in most parts of the world or has a deeper significance for the direction of the economy will be clear in the coming years.

RAO SPEAKS IN LOK SABHA FOREIGN POLICY DEBATE

Bombay THE TIMES OF INDIA in English 11 Dec 81 pp 1, 9

[Text] New Delhi, December 10. The external affairs minister, Mr P. V. Narasimha Rao, today rejected the charge that India had not responded positively to Pakistan's no-war pact offer. What it had done was to draw the attention of the world to the offer made by India 31 years ago, he said.

"You cannot wish away the history of the last 31 years," he said while winding up a debate on foreign policy in the Lok Sabha today. "Should we brush aside our own offer, especially when it has had a chequered history? Time and again, it had been turned down."

Towards the end of his summing up India's foreign policy and perceptions of the international situation, the minister said he had made it clear that "my response will be on the basis of the acceptance of our offer."

Mr Rao pointed out that under the Simla agreement, the two countries were committed to eschewing the use of force in settling their problems, "a no-war pact can only be an amplification of the Simla agreement."

The minister also struck an optimistic note on the possibility of improving relations with Nepal which he visited recently. Devoting part of his speech specially to the neighbours, he, however, dwelt on the difficulties of evolving a relationship "on the basis of independence and sovereignty with a country with which we have so much in common."

Yet, he said, the two countries had to live as neighbours and as independent and sovereign countries.

As regards Bhutan, "we have no difficulties with that country," he said. There were some difficulties with Bangladesh over New Moore Island, but the goodwill on both sides "we have been able to defuse tension." With Sri Lanka, some complications over stateless Indians had to be sorted out. "We are prepared to take those who are registered with us."

The no-war pact offer by Pakistan and the U.S. arms supply to that country was the dominant theme of the speeches in the debate which spilled over from the last session when the first sitting was held. Irrespective of party affiliation, the members supported the government's stand.

There was general support for the manner in which the government was conducting the country's external relations. The only exception was the BJP member, Mr Ram Jethmalani, who accused the government of making the country "a Soviet stooge."

The members, however, tended to raise the same issues repeating the same arguments which presumably was responsible for the noticeable lack of interest of the M.P.s in the debate. Throughout, the house was thinly attended. Only rarely was the quorum fulfilled.

At one stage, the minister of state for supplies, Mr Bhagwad Jha Azad, remarked that there was no member in the opposition benches. The lone voice of Mr Bapusaheb Parulekar (Janata) replied: "Why, I am here. Am I nobody?"

Referring to the comment by Mr Indrajit Gupta (CPI) on the "misguided fringe" of India's foreign policy, especially relating to the policy of "equi-distance" from the two blocs, the external affairs minister said it was not a question of "equating the two." As the Prime Minister had said, the presence of one attracted the other (in the Indian Ocean). "We know who are our friends and the support we get from them."

"We want this area to be free from all warlike activities," he said and pointed out that there were now not two, but three, four or five presences in the Ocean.

He said the concept of superpower rivalry was not India's creation. It was so mentioned in the 1971 U.N. resolution on the Indian Ocean. Now, more and more countries were convinced that the dichotomy between the two power blocs could not continue for ever.

"Compartmentalisation is cracking," he said. Some European countries were now much closer to the nonaligned countries. How was this possible? The realisation was dawning on the advanced countries that the concept of interdependence would benefit them also. The principle got acceptance at the Cancun conference.

Mr Narasimha Rao asserted that the restructuring of the world economic order must come at one point because even the advanced countries had come to realise that they had to choose between armament and development, they could not have both. Even affluent countries did not have enough funds for their development.

As far as India was concerned, it stood for complete disarmament. "We do not go into the quibbling over whether one type of nuclear weapons was less dangerous than the other. We stand for abolition of all nuclear weapons."

As regards Afghanistan, Mr Narasimha Rao said, "You will have to search for someone who really wants the Soviet troops out of Afghanistan. Everyone is getting some benefit out of it. No attempt is being made to find a solution regionally."

As far as India was concerned, it wanted a solution on a regional basis without outside interference. Referring to Mr Indrajit Gupta's criticism of the government tending to treat the problem in isolation, the minister said, "If the small countries get locked in battle and it acquires global dimensions, there will be no end to it. If there is an East-West confrontation, then the small countries had it."

PRC REPORTEDLY INTERESTED IN JOINT VENTURES

Bombay THE TIMES OF INDIA in English 30 Dec 81 p 13

[Text] New Delhi, December 29 (UNI). China is interested in setting up joint ventures in India and, with Indian collaboration, in third countries.

A three-member Chinese delegation, led by Mr Dong Yougan, held discussions last week-end with Indian entrepreneurs and sought information on facilities available for foreign investment in India and export promotion measures.

The delegation held discussions with the Federation of Indian Chambers of Commerce and Industry and the Federation of Indian Exporters' Organisation.

In the light of the information sought, China might revise its own regulations on foreign investment.

The delegation belonged to the Council for the promotion of International Trade, Beijing.

The Indian side sought information from the delegation on Chinese laws on joint ventures, involvement of the Chinese government in joint ventures, and the equality to be held by them in these ventures.

With the advent of the ten-year development plan in 1978, the Chinese economy received a major boost in the direction of modernisation development and reorganisation of the economy.

In the industrial sector it assumed a growth rate of ten per cent per annum, raising the steel output to an expected 60 million tonnes by 1985.

The plan involved an investment between \$500 to \$600 billion during 1978-85, of which, \$70 billion to \$85 billion would be required for the procurement of capital equipment from the overseas market.

The implications of the modernisation drive on Chinese trade are considered varied and far-reaching. Due emphasis has been given to the need for opening up of trade, which would generate purchasing power and enable the country to update its technology.

Amongst the new initiatives in the Chinese exports drive, the joint ventures have attracted global attention. China had recently adjusted its policy in favour of joint ventures by importing sophisticated technology from the West. "A special international trust has been established in China to coordinate the use of foreign investments and technology.

CS0: 4220/7552

RAO ADDRESSES ROTARY SOUTH ASIA CONFERENCE

New Delhi PATRIOT in English 13 Dec 81 p 8

[Text]

Conferences of goodwill prepare the ground for more enduring multilateral relationships amongst countries and pave the way for further cooperation, said Minister for External Affairs P V Narasimha Rao in the Capital on Saturday.

The Minister was inaugurating a conference of goodwill for South Asia organised by the Rotary International.

Referring to the five participating countries at the conference — India, Bangladesh, Pakistan, Sri Lanka and Nepal—Mr Rao stated that all these countries faced common problems of poverty, backwardness and unemployment. These issues could be tackled separately or by a common approach.

India was always willing to extend cooperation in economic, technological, cultural and other fields, the Minister added.

Mr Rao said India would like to live as friends with all its neighbours — on the basis of mutual respect for one another's sovereignty, territorial integrity and national interest.

'Though this policy is well-known', Mr Rao said, he would like to reiterate to others in South Asia that India's hand of friendship remained extended.

Mr Rao admitted that some problems would always exist between neighbours. It should be the concern of the countries to sort them out amicably, in a spirit of good neighbourliness, since there is no other way of sorting them out and there is no escape from sorting them out.

He said the conference of goodwill in South Asia was an effort that both supplemented and complemented the endeavour of those of us who are engaged in the processes of diplomacy. Dealings between Governments were necessarily circumscribed by political factors. 'Organisations such as yours are free from that shackles,' Mr Rao told the Rotarian delegates from India, Pakistan, Bangladesh, Nepal and Sri Lanka, numbering about 1200.

Stating that it was appropriate that the Indian chapter of Rotary International has been given the privilege of hosting the conference, Mr Rao pointed out that the sages of India believed that the 'whole world as one family.'

'India's voice to the world has always been loud and clear — in favour of peace, tolerance, amity and universal understanding,' the External Affairs Minister said and added that it has always been our endeavour to generate goodwill.

'Countries of this region do have much that is common, even if each values, as it indeed should, its distinct national identity,' Mr Rao said and added that there is sometimes a tendency to shy away from using labels like 'sub-continent' for reasons, which are probably emotional and psychological but no label is really necessary.

'Yet the elements of commonality cannot be wished away even if there is a certain degree of hypersensitivity in some quarters to any emphasis being laid

on these aspects,' he said.

ZIA'S MESSAGE

In a message for the conference, Pakistan President Gen Zia-ul-Haq re-emphasised the deep commitment of the people and Government of Pakistan to the consolidation of peaceful and amicable relations with India.

'Mutual self-interest demands that our two neighbouring countries should turn their back on conflict and confrontation and begin an era of durable peace'.

The Pakistan President added that he was confident that relations between the two countries would continue to improve during the years to come. 'We in Pakistan are determined to make our full contribution towards this process', he added.

In hosting the conference, Gen Haq said the Rotarians of India have taken a commendable initiative to reinforce the neighbourly links between our countries.

'Our region is home to almost a billion people—a quarter of the human race', he said and added that the strengthening of the bonds of amity among them is a contribution to global stability and peace.

He said 'There is indeed a growing realisation in all countries of the region that their destinies are interlinked and they can attain their national goals of progress and development only in a tension-free and peaceful environment'.

MUTUAL HELP

Both Mr Rao and Gen Zia emphasised the need for mutual co-operation among countries of the region.

Referring to the frightening array of problems and challenges such as poverty, under development and backwardness that the countries of the region are facing, Mr Rao said 'They are identical

in all the countries, whether they are termed as 'common' or not and whether the countries wish to tackle them separately or by entering into joint ventures'.

The Pakistan President pointed out that the conference was taking place at time when a beginning had already been made to establish regional cooperation amongst the countries of South Asia. 'Pakistan is playing its full part in promoting mutually beneficial collaboration in several areas that have been identified through joint consultations', he said.

Mr R K Saboo, director, Rotary International in his welcome address said the conference, the third in the series of nine such conferences being all over the world, was to drive home the fact that there was no alternative to mutual understanding and peace.

Dr Stanley McCaffrey, president of the Rotary International described it as the most unique conference of its kind held so far. Earlier, the delegates were accorded a colourful welcome by a group of girls attired in the traditional Indian dress.

Later, UNCTAD Secretary General Dr Gamani Goren stated that the economic indications for developing countries were bleak because they could not reach the ideal goal of a six to seven per cent growth rate.

The possible solution to these basic problems lay in rejuvenating the price relationship terms of trade which govern the exchange between developed and developing countries, said Dr Goren. Until the wide gaps between the purchase of inputs and the earnings from exports are closed, the developing countries will continue to experience a marked deceleration in trade, warned the UNCTAD Secretary General.

OIL MINISTER TELLS IMPORT PLANS FOR 1982

Bombay THE TIMES OF INDIA in English 30 Dec 81 p 15

[Text] New Delhi, December 29 (UNI). India has concluded firm arrangements for the import of 14.5 million tonnes of crude oil to meet its requirements for 1982, the petroleum minister, Mr P. C. Sethi, disclosed here today.

This quantity is less by 1.5 million tonnes compared to the imports effected in 1981 and has resulted in a saving of Rs 1,000 crores in foreign exchange, Mr Sethi told UNI.

Mr Sethi said except Saudi Arabia, with which the existing contract would continue till May next year, all traditional suppliers had agreed to supply oil for India. They include Iraq 3.5 million tonnes, Venezuela 0.5 million tonnes, Nigeria 0.5 million tonnes, Iran 4.8 million tonnes, the Soviet Union 2.5 million tonnes and Abu Dhabi one million tonnes.

Mr Sethi said that Saudi Arabia was supplying 2.5 million tonnes of crude. Besides Iraq has also offered to give 1.5 million tonnes of additional oil over and above the contract for 3.5 million tonnes.

Mr Sethi said the oil situation on the whole would be comfortable during 1982 and the country would be able to produce 30 million tonnes of oil by 1984, representing 70 per cent of the domestic demand.

The minister said that the ultimate aim of the government was to reach a production target of 100 million tonnes under a 20-year-plan, which was being formulated.

Mr Sethi said in view of the poor response from foreign companies for taking up oil exploration in selected blocks, the government would soon float a global tender again.

Out of the seven foreign companies left in the field, the government has concluded an agreement with a U.S. firm to take up exploration job in Saurashtra block two.

The government, he said, was also planning to regroup the blocks to attract more foreign companies.

One of the main reasons for the poor response from foreign companies, he said, was the U.S. decision to throw open a lot of new areas for exploration

attracting many world companies. Besides, the companies which showed interest, in the Indian continental shelf, felt that the blocks offered were not attractive.

In all, India offered foreign companies 42 blocks for oil exploration. Earlier, Palk Strait, where oil was struck recently by the Oil and Natural Gas Commission, was one of the blocks earmarked for foreign companies.

Mr Sethi ruled out the possibility of throwing open any of the areas where the ONGC and the Oil India Limited (OIL) were now operating. These included the potential Bombay High.

In Palk Strait and B-58 structures, three more wells each would be drilled to assess their commercial potential. Work in this connection was already in progress.

Regarding the exploration in the Godavari basin, Mr Sethi said the government was awaiting the decision of the World Bank from which India was expecting a loan of \$200 million. The government had already acquired a drilling ship for operation in Godavari.

Asked for his reaction to the recent decision of the Organisation of Petroleum Exporting Countries (OPEC) to reduce the prices of certain varieties of crude, Mr Sethi said that the extent of benefit to India in terms of foreign exchange saving would depend upon the behaviour of the dollar.

CSO: 4220/7552

FOREIGN OIL FIRMS TO BE ASKED FOR FRESH BIDS

Calcutta THE STATESMAN in English 30 Dec 81 p 9

[Text]

NEW DELHI, Dec. 29.—Foreign oil companies will be asked to make fresh bids for off-shore blocks in the entire continental shelf for exploration and development of oilfields identified through seismic and other surveys. The second round of bids will be called soon after negotiations on the first round are over, probably in the next few weeks.

After awarding the first off-shore block, Saurashtra-2, off the coast of Gujarat, to Chevron Overseas Petroleum of the USA, the Petroleum Ministry is now negotiating with a Mexican and a West German firm for two other blocks.

PENEX of Mexico is seeking rights to explore the Saurashtra-1 block, while Deminex of West Germany wants the Konkan block, which is the first to be sought in the Southern continental shelf. The bulk of the bids in the first round were for blocks in the Western continental shelf, since the region has already proved to be oil-bearing.

Talks with these two companies are now at an advanced stage and are expected to conclude within a few weeks. If they are awarded the blocks they are seeking, detailed negotiations will then follow—as they are being presently held with Chevron—before actual contracts are signed.

These are expected to stipulate the minimum investment and performance expected of the foreign oil companies within a time-frame, under the supervision of the Oil and Natural Gas Commission. It is possible that they will be allowed some share of the oil produced, in the event that it is discovered in commercial quantities, but with the stipulation that it should be offered to the Government first at the current international prices, until India is self-sufficient in oil.

The second round of bids will be

for the remaining of the 17 off-shore blocks offered in the first round. A decision has still to be taken on the 13 off-shore blocks offered, but it now seems unlikely that these will be open since Soviet aid is being taken for on-shore exploratory drilling following a recent agreement.

EXPECTATIONS

Expectations are that the second round will yield a better response from foreign oil companies. This is based on the fact that the ONGC has recently discovered oil in such blocks as the Cauvery basin and the Palk Straits, the first time success has been achieved in the Southern continental shelf.

Since oil is now known to be present there also, foreign firms will be less hesitant to explore in the vicinity of known oilfields. A revision of the blocks offered in the first round is unlikely.

When the first round of bids was called for, as many as 87 foreign oil companies responded. However, only 23 pre-qualified to submit bids and 22 continued to show interest until the later stages of bidding. Finally, only seven bids were taken for consideration and of these, five were for Saurashtra-2.

The invitation to the foreign companies is part of the Government's efforts to achieve self-sufficiency in oil as soon as possible, possibly soon after the Sixth Plan period and hopefully before the end of the decade, even though consumption will have risen by then.

BRIEFS

COOPERATION WITH BAHRAIN--Bahrain, Dec 13 (PTI)--The first Indo-Bahrain joint venture has been finalised under India's new scheme offering facilities and incentives for investors from Oil Exporting Developing Countries (OED). Mr Ali Hasan Mahood, a leading businessman, has invested Rs 10 lakhs in the equity shares for a cement project coming in a Guniaghon in Dehradon district of Uttar Pradesh. The Rs 424 lakh ARC cement limited project will have an annual production capacity of 60,000 tonnes. The technology for portland cement has been provided by the Associated Cement Company Limited. Business sources also point out that many Indian parties come unprepared to seek investment and do not package the proposals in a presentable manner. [Text] [New Delhi PATRIOT in English 14 Dec 81 p 3]

AID TO YEMEN--New Delhi, Dec 29--India has extended a credit of Rs 1 crore to Yemen. An agreement on this was signed here today by Mr S.V.S. Juneja, Additional Secretary in the Ministry of Finance, and Mr Othman Abdul Gabbar Rasheed, Deputy Minister for Industry and leader of a Yemen delegation now here. Yemen will use the credit to import from India machinery and equipment to set up an industrial estate. The credit will carry an interest at the rate of 5% annually and is repayable in 24 installments from July 1, 1985. India has also agreed to send a multi-disciplinary team of experts to Yemen to identify and evaluate the need for machinery and equipment to be financed under the credit. India will send experts to Yemen under the Indian technical and economic cooperation programme to erect and commission some of the projects. [Text] [Calcutta THE STATESMAN in English 30 Dec 81 p 16]

CSO: 4220/7551

PARLIAMENT MEMBER COMMENTS ON ECONOMY

Jakarta KOMPAS in Indonesian 14 Nov 81 pp 1, 12

[Excerpts] World economic recession and the freezing of export oil price are not frightening phenomena, and while we are definitely affected by them, there is no reason for Indonesia's economy to slacken.

Drs C. J. Simandjuntak, leader of the House Budget Commission, told this reporter Friday his comments on a statement made by Minister of Finance Ali Wardhana to the effect that beginning 1981 Indonesia's national budget would become more difficult to be carried out.

"Both disadvantageous facts were already taken into consideration when the House of Representatives and the government embarked on formulating the 1981-82 budget. Thus, the emergence of world recession and oil price fixing was not surprising to us, and we have spared no effort to overcome them," said Simandjuntak.

He added that world recession is ever present in various forms, and it is of no use to hope for its betterment. What is important is how Indonesia can improve our economic situation in order to be ever ready to solve our own problems.

As regards the price of oil export which has been frozen, this has been taken into consideration beforehand, said Simandjuntak. Therefore, we must develop our non-oil exports to replace the declining oil export.

Such export diversification should have been promoted long before the declining trend in oil export, in order that we do not rely on oil as our sole export product.

The House of Representatives and the government were already in agreement to develop non-oil exports during the preparation for the 1981-82 national budget, even for the budgets in previous years. As it turns out, the government's efforts to develop non-oil exports have fallen short of the House's expectations all these years.

Various government agencies have been paying attention to their respective selfish interests, instead of collaborating for the common goal of developing the nation's economy. This is one of the reasons why up till this moment the diversification of exports still falls below expectations, although time is more pressing than

ever before. With the price of oil frozen, there is nothing to be hoped for in the export of non-oil products.

Simandjuntak held that it is not the task of the Department of Finance alone to augment state revenue, but also of all other government agencies and authorities to help create a climate that augurs well for the increase in state revenue.

If it were up to the Department of Finance to go it alone, this would mean merely increasing taxes and import and export duties to the highest possible degree. Such a situation would cause chaos in the business world, for the authorities would be likely to tolerate the importation of luxurious or trashy goods as long as they can levy high import duties--much to the detriment of the general public. The same thing applies to the hiking up of taxes.

Such a situation would precisely shake the economy of the nation. Therefore, the best way is to create a favorable business climate in which more and more entrepreneurs can thrive prosperously and pay their due taxes to the government. In this manner, we can receive more revenues without raising the tax tariff.

Apart from that, government revenue must be utilized as efficiently as possible by limiting expenditures, among others. Government vehicles should be put in order and under strict control in their utilization in order to save huge amounts of money.

According to Simandjuntak, salaries of government officials must be adjusted to the conditions. While the pay may not be increased, the government must make serious efforts in maintaining the prices of essential goods and daily necessities as low as possible. "The welfare of government officials does not depend on salary raise alone," said Simandjuntak.

9300

CSO: 4213/22

DOSSIER ON IMRAN CASE HANDED OVER TO ATTORNEY-GENERAL'S OFFICE

Jakarta KOMPAS in Indonesian 18 Nov 81 p 1

[Excerpts] Admiral Sudomo, commander for the Restoration of Security and Order [Kopkamtib], handed over the dossier on the case of Imran bin Muhammad Zein to Attorney General Salim (Operations) in a brief ceremony witnessed by newsmen and held at the Kopkamtib auditorium Tuesday morning.

Admiral Sudomo explained that the neatly wrapped collection of documents, about 20 cm thick, represented an outcome of intelligence investigation and was not prepared "pro justitia" ["in the name of justice"].

"But we have here sufficient evidence to bring the case to court," he added. According to Sudomo, investigation has shown clues of Imran's direct or indirect involvement in three incidents.

First, the attack on a police station of Metropolitan Police Commando 8606 Cicendo, Commando Bandung Municipality, on 11 March 1981. Second, the highjacking of a Garuda Airways DC-9 plane "Woyla" on 28 March 1981. Third, subversion to overthrow the legal government and discard the 1945 Constitution and Pancasila [The ideological basis of the Indonesian state: Belief in God, National Consciousness, Humanism, Social Justice, Democracy].

Asked about when the case was to be transferred to court, Vice Attorney General Salim (Operations) said the dossier need to be organized into a "pro justitia" product, which would take time. No date was set for the trial, but he would try to make it as soon as possible.

Answering questions, Admiral Sudomo said that the Commando for the Restoration of Security and Order is currently concentrating its attention on the person of Imran. Whether some other persons are to be brought to court will depend on the proceedings of the Imran case. Furthermore, the court will decide how many witnesses will be subpoenaed.

"But all persons suspected of having connections with this group have been rounded up. Whether they will be brought to court will depend on the merit of further evidence." Sudomo declined to say how many people have been arrested in connection with the Imran case, merely saying, "That's of no importance."

Imran bin Muhammad Zein was born in Bukittinggi on 1 June 1950. Father of one child, he is addressed as "Imam" [great Moslem leader] by his followers. He first became known to the public after the "Istiqomah Mosque Incident" in Bandung on 4 August 1980. On that day, disturbances occurred at the said mosque which was the favorite house of worship among the youths of Bandung. The place was immediately raided by security officers of the Staff Commando of the Bandung-Cimahi Garrison who arrested 44 youngsters said to be "followers of the Imam."

9300

CSO: 4213/22

GOLKAR IN YOGYAKARTA

Jakarta TEMPO in Indonesian 12 Dec 81 p 14

[Article: "GOLKAR in Yogyakarta: Aftermath of False Diplomas"]

[Text] The controversy over the candidacy question has finally spread to GOLKAR [government political party]. This time it is Yogyakarta's turn.

G B P H Mangkubumi, the son of Sri Sultan Hamengkubuwono IX who is chairman of the Data Research Team on Candidates of the GOLKAR Regional Executive Council for the Special Area of Yogyakarta (DIY), is reconsidering the data on the list of candidates for the Regional Council of Yogyakarta. It is reported that he was not invited to participate in the matter of preparing the list of candidates which, in fact, was compiled by the chairman of the Regional Council of GOLKAR for Yogyakarta, Dr Abdulrachim, and his close associates.

A number of candidates who up to now have been known to the public with the title of university graduates turn out to have claimed to have only a secondary school diploma on the form by which they submitted their candidacy. This aroused suspicions. There is a view that some candidates have been using diplomas from Indonesian universities which are false ["asphalt certificates" in Indonesian]. Those mentioned in this connection include Dr Sumpono (chairman of AMPI [Young Indonesian Development Association] in Yogyakarta and chief of the Planning Bureau of the Regional Executive Council of GOLKAR), Dr Bambang Purwoko (chief of the Information Bureau of the Regional Executive Council of GOLKAR), Dr Siswono Oetoyo (deputy chairman of the Regional Council of the City of Yogyakarta and director of the Industrial Academy of Yogyakarta).

Shut Up

G B P H Mangkubumi himself is not prepared to comment on this matter. "KOPERTIS [Higher Education Coordinating Council], which has authority in the matter, will determine whether the diplomas are legitimate or not," he said last Monday [7 December] to a TEMPO reporter. Meanwhile, Sardjono, secretary of the fourth region of KOPERTIS, confirmed that the three names of GOLKAR leaders in Yogyakarta mentioned above are not listed in his office. "I personally know them well. However, I don't know precisely where they graduated from," he said.

Another source stated that those persons suspected of having picked up false diplomas obtained them from an unnamed private university in Yogyakarta. Those persons said to have false diplomas seem to have chosen to remain silent. Sumpono made no comment, while Siswono Oetoyo avoided a reply when he was asked for his views. "I am very busy; there is a meeting I have to attend," he said.

The use of false diplomas in fact does not affect the decision on their candidacy because they only made reference to their high school diplomas in their applications. "However, they can be regarded as people whose good intentions are subject to doubt," said a TEMPO source on the GOLKAR Regional Executive Council.

It will still take a long time to get to the end of this case. On Thursday last week [3 December] the deputy secretary general of the Central Executive Council of GOLKAR, J Moerdopo, intervened in the matter. He called Dr Abdurachim to Jakarta to be a staff assistant to the general chairman of the organization, Amir Moertono. The post of regional chairman of the organization has been turned over to G B P H Mangkubumi, as acting chairman.

The son of Sultan Hamengkubuwono IX, when he met with a TEMPO reporter, confirmed this. He said briefly that the change had been made, "Because the former chairman was called to Jakarta." He did not make an issue of the list of candidates which had been compiled by his predecessor. He said, "There is no problem. The list of candidates is still a temporary one. Changes in the order of candidates on the list or replacement of the candidates is still possible."

Another consequence of this case: changes are in store in the leadership of the GOLKAR Executive Council in Yogyakarta. A plan for changes in the local GOLKAR leadership reportedly was submitted to the general chairman of the GOLKAR Central Executive Council, Amir Moertono, when he met with the highest GOLKAR official in Yogyakarta in the palace last Wednesday [9 December].

5170

CSO: 8127/0572

COMMENTS OF FOREIGN MINISTER, VICE MINISTER OF AGRICULTURE

Jakarta SINAR HARAPAN in Indonesian 19 Nov 81 pp 5, 7

[Article by SINAR HARAPAN Newsmen Sabam Siagian from Phnom Penh: "Inside Kampuchea (Part II--The End): The Prescription: Food, Religion, and Culture (As Long as Peace Endures)"]

[Text] Nhem Heng, 47 years old, was trained as a specialist on rubber estates. He was sent to Paris in the fifties to participate in a training program at the French Rubber Research Institute. He also went to Indonesia under a UN program to study Sumatran rubber estates.

Nhem Heng now is the deputy minister for agriculture in the People's Republic of Kampuchea cabinet headed by Pen Sovan. A number of officials of the international aid organization concerned with the Department of Agriculture are impressed by the quality of this department's leadership. In general the senior officials work hard and fast in taking decisions. Agriculture Minister Dr Mat Ly, who speaks English fluently, having studied in the United States, reportedly was ill and under treatment in Hanoi because he worked too hard.

On that Saturday afternoon Nhem Heng patiently explained the problems faced by his department to assure that food production meets the needs of a population of about 6.5 million. "Six and one-half million? Hasn't it been stated that the Pol Pot regime killed 3.5 million and that only 4 million Khmers remain?" asked this reporter. Nhem Heng calmly answered that the figure of 6.5 million is that provided by the prime minister's staff, and he uses it for his operations. That figure probably is also handed out to international aid organizations so that the maximum possible aid will be offered. According to Nhem Heng, in 1981 it was planned to plant 1.5 million hectares with paddy but planting of only about 1.16 million hectares was achieved. This year's dry season lasted longer than customary, in June and July, and in August the rainfall was heavier than normal and several areas were flooded. It is estimated that some 166,000 hectares of wet ricefields were destroyed by the floods. Only 1 million hectares were harvested, producing about 1 million tons of paddy while minimal food requirements are 1.3 million tons. In order to have some stocks for emergencies in 1982, Nhem Heng estimates that Kampuchea needs from 400 to 450 tons in food aid. He reported that the situation in Battambang Province, which is the normal paddy granary, is satisfactory. Only about 15 percent of the 230,000 hectares of wet ricefields there were destroyed by floods.

This year's harvest is estimated at 200,000 tons of paddy. Nhem Heng added that the food situation was critical in Takeo, Kompong Speu, and Kondal Provinces. He was concerned about the fertilizer supply since a number of international aid organizations were willing to provide only 70,000 tons and the total requirement was estimated at 110,000 tons for planting during both the rainy and dry seasons. "Can't you get the remainder from the socialist bloc?" Nhem Heng shrugged his shoulders and muttered an unintelligible response. The supply of insecticides also is inadequate but Heng provided no figures.

He confessed that a big problem was the repair and rehabilitation of irrigation systems in Kampuchea. Agricultural production grew during the glorious Angkor period in which King Yasovarman I ruled at the end of the 10th century because of the very complex system of channels and irrigation. Each time the system was neglected, the economic foundation was destabilized and the king's power declined. Because of the bombing and warfare until 1975, the irrigation system clearly was not only neglected but was heavily damaged in a number of areas. Reportedly one of the "favors" done by the Pol Pot regime was to use forced labor to repair the irrigation system in several provinces. But, Nhem Heng said, the design and techniques used were elementary and sometimes were not adapted to a number of hydrologic requirements and thus the systems are ruined. The problems facing Kampuchea now are the recruitment of the needed manpower and acquisition of modern equipment. Aid in the form of 600 water pumps, donated by an international organization, arrived recently.

Training

To train technicians as quickly as possible, the Agriculture Department has run courses of about 3-months' duration in agronomy, agricultural irrigation systems, forestry, animal husbandry, and fisheries. Forty to 60 agriculture officials at the provincial level participate in each course. The instructors are Khmer agriculture specialists and a number of agriculture advisers from Vietnam. "What useful information can they impart in the agriculture sector when they have so little success with their own agricultural situation?" this reporter asked. Nhem Heng only smiled, "We ignore what is not so useful; we adopt what is practical; we accept....," he said.

As a rubber estate specialist, he explained that a plan exists to rehabilitate 50,000 hectares of rubber estates; clearing them, planting new trees, and caring for them on a continuous basis. "However we only succeeded in doing this for 8,000 hectares." He apparently is also aware of the less favorable international price for rubber and that it would be unwise to allocate too much money and manpower to the rubber estates sector.

Food production is strategic for Phnom Penh. The rise or fall of the Heng Samrin/Pen Sovan regime very much depends on the capabilities of its members to gradually increase food production so that the regime will not have to be overly dependent on international aid.

Besides food production--and who knows whether it is a deliberate policy decision or a spontaneous one--the Heng Samrin/Pen Sovan government apparently supports and builds up religious and cultural activities.

Areyasap Pagoda

On Sunday afternoon, 25 October, the atmosphere in the courtyard of the Areyasap Pagoda (45 kilometers northeast of Phnom Penh) was that of a picnic. The people arrived by truck or bus, some borrowed from international organizations. They were dressed neatly and carried food. In the courtyard of the pagoda they cooked, talked, happy to see acquaintances or family members whom they have not seen in a long time or perhaps thought were dead.

The "Bon Ka Then" ceremony at the pagoda was principally a thanksgiving ceremony following the rainy season. The rainy season was rather worrisome this year, arriving too late, and when it did arrive, it came down harder and almost all at one time, thus causing floods, a fact that did not affect the respect and solemnity of the ceremony. A woman, 26 years old and an elementary school teacher, when asked why she came to the religious ceremony since she was a Kampuchean revolutionary party cadre, answered without any prompting, "Religion plays an important role in our life and in my family. For years, when Pol Pot was in power, we weren't authorized to perform our religious duties. The pagodas were even demolished or were used as godowns. Look at this, the head of Sang Buddha was destroyed..." as she pointed to a statue of Buddha which was sheltered under a thatched roof. One of the purposes of the ceremony for which some 3,000 persons had gathered, was to collect funds to repair the Buddha statue and to rebuild that part of the pagoda which had been dynamited by Pol Pot's troops when they withdrew from the surrounding area.

Haji Achmad

We got an even greater impression of religious life in Kampuchea when we visited a mosque about 7 kilometers northeast of Phnom Penh where the Campa people (descendants of Malays and Indonesians) live. On Friday the mosque seemed full of people. A reporter and a photographer from the NATIONAL GEOGRAPHIC MAGAZINE (Washington, D.C., United States) were busily interviewing several persons. Indonesian ambassadors often prayed on Fridays at the Campa people's mosque when the Republic of Indonesia still had an embassy in Phnom Penh.

An old man, walking with a cane, mounted the steps of the mosque with difficulty. "Assalamu alaikum...we are from Indonesia." "Alaikum salam, welcome...my name is Haji Achmad." He could still speak Malay but thereafter requested an interpreter. He was 73 years old. Speaking with emotion, which he had trouble hiding, Haji Achmad told of his suffering during the Pol Pot regime and the sufferings of the Cam people who were followers of Islam. "They were anti-religion," he said angrily, "and did not like to see Cam people pray." (The Campa kingdom had subdued the Angkor kingdom, and the Khmer Rouge considered those Campas still alive as aliens, moreover, they were followers of Islam.)

"I was forced to eat pork. I was beaten on the legs until they were paralyzed." Haji Achmad was forced to work in Battambang Province and had to walk about 200 kilometers. The Cam (an abbreviation of Campa) people, who once numbered 700,000, were dispersed during the Pol Pot regime.

"At that time we were not permitted to pray, but I prayed to myself. If I had not done so, I would have been dead long ago of hunger and exhaustion, being forced to work from morning to night," Haji Achmad said. As the managers of the mosque explained, the number of Cams has dropped, leaving only about 200,000 persons. Of the former 115 mosques, no more than 20 are left. They were bulldozed by the Pol Pot troops, were used as godowns such as the one we visited, or fell into ruin due to neglect. Of the former 113 ulamas [Muslim scholars] and religious teachers, only 20 are left.

"How did you feel when the Vietnamese troops came and the Cam people were liberated from the Pol Pot troops?" "I gave thanks to the one and only God because we were rescued by the Vietnamese soldiers...." I asked the interpreter to repeat the question so that there would be no misunderstanding of this unique response from the Haji. He gave the same response. "Now what?" "See for yourself, we are free to pray together. The mosque has been repaired with local government aid. Our children now busily study the Islamic religion. Look there, they participate in the prayers. My hope is that Indonesia and also Malaysia will participate in aiding us here...."

Then Haji Achmad asked that we forward his request for aid to the Cam Muslims in Kampuchea. He asked for copies of the Koran and the possibility of sending them some religious teachers. "What else?" Haji Achmad was silent for a moment and then slowly suggested, "If the Indonesian and Malaysian government possibly could help us so that some of us could make the haj each year, thus carrying out the fifth pillar of Islam. Please forward my suggestion....," he appealed.

I peered at Pak Haji's face, full of the suffering he had endured, but that Friday afternoon he appeared composed and at peace while walking painfully with his cane, entering the mosque to pray together with other Cam Muslims.

Youngest Foreign Minister

Hun Sen, 30 years old, had been a division commander in the Pol Pot troops in a province bordering south Vietnam. He now functions as deputy prime minister and foreign minister. "I am now the youngest foreign minister in the world, but I would like to become the oldest foreign minister." Thin, apparently blind in his right eye, caused by a bullet which hit him in the face, Hun Sen is rather arrogant and his statements reflect his very deep ideological convictions.

"To meet? To meet with them over there....," he mocked in biting tones when this reporter asked whether the government was now preparing to meet with outside groups to form a national government of Kampuchea. One by one, he called off the names of persons who were in Singapore at the end of September to form an anti-Vietnam Kampuchea coalition government. "Sihanouk? He is the cheapest political prostitute in the world. He still has an illusion that the rural people support him. He goes along with Pol Pot, he leaves Pol Pot, and he now enters into what is called a coalition because he still wants to rule. How is that possible?" "And Khieu Samphan, what about him?" "Khieu Samphan is one of the best educated men in the Pol Pot group, but his position is weak. That is a compact group because of family ties; Pol Pot's wife and Ieng Sary's wife are sisters. The family ties between Khieu Samphan and Pol Pot are not so close.

That is a factor. He is the mask that covers Pol Pot's dirty face. You can see for yourself who has ties to Pol Pot; there is no political future for Khieu here...." "And Son San?" "Ah, it's best not to comment on that old man. I just want to remind you of the corruption that existed when he was prime minister."

I am thoroughly convinced that these are the impressions Prime Minister Hun Sen wanted to convey. Seen from Phnom Penh's viewpoint, of course, they are not unreasonable.

But under the latest authorities, can the food problem be resolved and the ardor of the people be assured because the religious and cultural life is supported by the government (museums, schools for the arts, and former palace of the Norodon kings is opened to the public)--the criterion is the capability of the Heng Samrin/Pen Sovan government to defend the sovereignty of the region.

On the one hand, it is understandable that the Phnom Penh government now is permitting the people first to enjoy the present new era. They act as if they have just awakened from a bad dream, moreover a very foul and harsh dream. If they were mobilized rapidly, for both development and defense, they could become apathetic.

One observer revealed that Khmer soldiers who were being trained for the army soon disappeared into their kampungs. The "desertion" level reached 50 percent. Another said Vietnamese troops were now trying to form combined troops consisting of two Khmer soldiers for each Vietnamese soldier. Thus a Phnom Penh army with a high fighting spirit can gradually be built up. On the other hand, what Khieu Samphan boastfully says that a large part of the Kampuchean region is being controlled by his troops is clearly false.

This reporter posed a question on the position of his troops to Khieu Samphan in Singapore when efforts were being made to achieve a coalition at the beginning of September. He went on in great length about having ambushed a number of Vietnamese convoys. Then one of his staff members handed out as proof a map which showed the extent of the region controlled by Khieu Samphan with the Khmer Rouge.

A Westerner at the press conference in the Hotel Shangri-la apparently couldn't stand this chatter. He stood up and yelled that what the Kampuchean leader said was just hot air. For almost 2 years this person had worked in Kampuchea and knew what the real situation was. Security personnel then took him out of the room.

Actually we met that Westerner again in the dining room of the Hotel Samaki in Phnom Penh. He apparently worked for Oxfam. He was a little embarrassed when he was reminded about the incident in Singapore. "Oh, let's forget it. I was rather emotional," he said.

In reply to a question, Adrian Crawford (from Scotland) estimated that about 70 percent of the Kampuchean region was regularly controlled by Phnom Penh. About 10 percent, mainly along the borders, was outside Phnom Penh's control. Twenty percent consisted of areas which often changed hands because they were deliberately not controlled by Phnom Penh (with Vietnamese troops) because of the

field conditions or the sparse population. "Seen from the total population standpoint, I estimate that about 90 percent of the Khmer people are now under Phnom Penh's control." He stressed that though he often toured the areas (one morning there was a knock on our door; apparently Adrian was looking for a companion, an agricultural engineer, because they were going to observe a project in Kompong Speu. He knocked on the door of the wrong room), but his estimate was that of a layman, and even if it were used, it could not be considered authoritative.

Time Is on Whose Side?

There was a solemn atmosphere also at Pochentong Airfield on Monday afternoon, 26 October. Pen Sovan, prime minister and secretary general of the party, was arriving from his visit to East Europe on the Air Vietnam aircraft which would take us later to Hanoi. When we were in the air, Phnom Penh and its surroundings seemed peaceful. The color green predominated. New wet ricefields were planted because the delayed rainy season had arrived.

I recollected my discussions of the Kampuchean problems with various observers. They always spoke about "time." Time for those who supported a coalition and continued to maintain pressure on the presence of Vietnam in Kampuchea. A compromise would, of course, be achieved in time. While persons in Phnom Penh also talked about "time" which they were convinced was on their side. This means that in the end their political regime would be supreme.

But almost no one speaks about "time" for the Khmers who for more than 10 years suffered unparalleled torment. They experienced both the modern way of killing by B-52 bombers and the primitive way of killing under the Pol Pot regime.

How to create a situation so that "time is on their side" is a task which must be thought out jointly because a prolonged conflict situation in Southeast Asia could create complexities for which the future holds the reins.

6804

CSO: 4213/21

INDONESIA NEEDS 95,000 ENGINEERS

Jakarta KOMPAS in Indonesian 13 Nov 81 pp 1, 12

[Excerpts] Between 1980 and 1990 Indonesia needs a total of 95,000 engineers—69,000 of them in the field of technology and 26,000 others in agriculture. This projection is based on Indonesia's annual economic growth rate of 7 percent, according to Ir Tampubolon, chairman of the Federation of Indonesian Engineers, in a press conference Thursday. He was accompanied by Ir Affandi, vice minister for food; Ir Agus Sujono, secretary general of the Department of Agriculture; Ir Suryatin, director general of Bina Marga [Community Development]; and several others.

"At an annual rate of increase of 3 percent in work force, some 6,800 new engineers will be needed each year," said Tampubolon.

The Federation of Indonesian Engineers estimates the current number of engineers at 25,000 people, but only 15,775 have registered with the Engineers Registration Team since 19 June 1981. The rest are being urged to report to the team's local offices scattered in various regions as soon as possible.

According to available data, 70 percent of the engineers work for the government, while the remainder in private sectors. By geographical location, 11,111 are in Java, 2,280 in Sumatra, 756 in Kalimantan, 912 in Sulawesi, 106 in Maluku, 516 in the Lesser Sundas [Bali to Timor], 65 in Irian Jaya, and 30 in foreign countries.

According to Ir Siswono, executive chairman of the Engineers Registration Team, the data in hand indicates that 3,173 are civil engineers, 1,699 are mechanical engineers, 1,587 are electrical engineers, 1,147 are chemical engineers, 1,060 are architectural engineers, 709 are mining engineers and 479 are industrial engineers. The number of engineers in other branches follows: agriculture 3,574 persons, fishery 499, cattle-breeding 1,725, forestry 1,701, farming technology 580 and agricultural economics 81.

9300

CSO: 4213/22

STATISTICAL DATA CLAIMED INACCURATE

Jakarta KOMPAS in Indonesian 21 Nov 81 pp 1, 12

[Excerpt:] None of the various industrial production data collected and collated by the Department of Industry, Central Bureau of Statistics [BPS], member associations of the Indonesian Chamber of Commerce and Industry [Kadin] and other agencies is reliable or accurate.

Thus said several Kadin members in the field of industry who are led by Drs F. H. Eman. Drs Eman reported the matter to Emil Salim, minister for the Supervision of Development and Environment [PPLH] at the latter's office Friday.

Eman said that the lack of accurate data has made it difficult to devise a concrete plan whether a particular kind of industry should be developed or not. Many cases have shown that due to lack of correct information, certain goods have been overproduced, while others are in short supply.

According to some Kadin members, the data supplied by the Central Bureau of Statistics [BPS] are not only late, but also far from accurate. This is attributable to the fact that BPS generally relies on lists of imported goods recorded by the Customs House, while the customs do not consistently relay its import data to BPS.

For instance, one entrepreneur told Minister Emil Salim: "The quantity of a certain imported raw material for use in my own industry turns out to be greater than the total quantity of the same imported raw material as recorded in the BPS."

According to Drs Eman, the data collated by the Department of Industry are not accurate, either. He was told by Ir Agus Sujono, secretary general of the department, that not all industries report their production figures to the department, as they should. Only 15 percent have fulfilled their obligation, and even so, their reports do not necessarily portray the true conditions.

Eman added: "According to the secretary general of the Department of Industry, it is still difficult to check the veracity of data reported by the enterprises."

Likewise, the data supplied by member associations of Kadin are all inaccurate. However, as we must have statistics, Kadin can only hope that the presented data are close to the truth.

Minister Emil Salim expressed astonishment over the information provided by the said entrepreneurs.

He also inquired about the problem of textile production in Indonesia. He said that according to Drs Frans Seda, leader of the Indonesian Federation of Textile Industry (API), textile production has reached 17 meters per capita. However, T. Akip, an API member who was present at the meeting with the minister, said that the data concerning textile production is not correct.

The minister for the Supervision of Development and Environment promised he would study the matter at hand and report his findings to the proper authorities.

9300

CSO: 4213/22

INDONESIA'S BUDGET AFFECTED BY OIL REVENUE, WORLD RECESSION

Jakarta KOMPAS in Indonesian 13 Nov 81 pp 1, 12

[Excerpts] Judging by its revenues and expenditures, Indonesia's national budget will, beginning 1981, be more difficult to be implemented. The freezing of export oil price in 1982 will depress state revenues, while expenditures will grow further.

Minister of Finance Prof Dr Ali Wardhana made the remarks at the investiture of several Customs House officers held at the Graha Sewala hall of the Department of Finance Thursday.

"In order to maintain the current economic growth level, the only way out is to augment state revenues from sources other than oil, specifically by taxation," said Minister Ali Wardhana.

He continued that it is becoming increasingly more difficult to realize the national budget in 1981 because of world economic recession. Economic activities in both industrialized and developing nations have suffered a decline. Capital investments in developed countries have also dropped, which has resulted in a corresponding drop to import raw materials from such developing countries as Indonesia.

The worldwide high inflation rate has caused unprecedentedly high interests in international money market. It is clear that these high interest rates will make it even more difficult for developing countries to obtain foreign aid, apart from being more expensive.

Ali Wardhana said that the freezing of export oil price for 1982 as has been decided upon by OPEC would further hamper state revenues.

During the past 12 years, the role of export oil as a source of state revenue was all too conspicuous. As much as 70 percent of the entire state revenues were derived from the export of oil, while other sources, including taxes, accounted for 30 percent. This ratio was the other around during the beginning of the first Five-Year Plan. Furthermore, in the foreign balance of payments, the role of oil has grown bigger by the year.

Now the OPEC decision to freeze the oil price in 1982 means that Indonesia's revenue from oil in 1982 will not differ much from that of 1981, while its expenditure will increase in quantity. Consequently, in order to maintain the current economic growth rate, revenues from non-oil sources must now be made to play a more important role than before.

Giving some data about state revenues, the minister of finance said that state revenues for the 1981-82 fiscal year budget totaled 12.2 trillion rupiahs, of which 8.5 trillion rupiahs were derived from oil, while the remainder from taxation and other sources.

"We ought to be able to get 10 billion rupiahs from non-oil sources every day, as we are spending 33 billion rupiahs per day for routine and development expenditures. In effect, this means that we still rely on oil to get the other 23 billion rupiahs," he explained.

He said it is gratifying to note that the revenues from non-oil sources have increased to 3.7 trillion rupiahs in the 1981-82 fiscal year budget, as compared with 2.7 trillion rupiahs previously. But now we must make greater efforts, because we will not obtain additional revenues from oil.

Minister Ali Wardhana told reporters that increasing state revenue by taxation does not mean hiking up the tariff. What is important is a smooth flow of goods, and this would mean more money rolling in at a quicker tempo, besides aiding the development of Indonesia's economy in its entirety.

The minister divulged that capital tax would be increased, but not by the existing 5 per thousand. However, he refused to specify the percentage of the projected increase.

9300

CSO: 4213/22

BIOGRAPHIC INFORMATION ON INDONESIAN PERSONALITIES

[Unless otherwise noted, the following information on Indonesian personalities had been extracted from Indonesian language sources published in Jakarta.]

DANIEL DHAKIDAE--Daniel Dhakidae was born in Flores, East Nusa Tenggara, on 22 August 1945. He is chairman of the Editorial Council and is legally responsible, on a daily basis [penanggungjawab sehari-hari] for the magazine PRISMA. He majored in philosophy at the Major Seminary of St Petrus Ritapiret/Ledalero in Flores for 2 years (did not graduate). After that he studied state administration in the Faculty of Social and Political Sciences of the University of Gadjah Mada in Yogyakarta, graduating in 1975. He was editor of the weekly publication SENDI in Yogyakarta (1971-1972). He has attended a number of seminars in Indonesia and overseas, has prepared a number of working papers, and has translated several books, including "The Crescent and the Rising Sun," by Harry J Benda, whose Indonesian title is "Bulan Sabit dan Matahari Terbit." [Text] [Jakarta PRISMA in Indonesian No 9, Sep 81 p 95] 5170

HERSRI S--Hersri S was born in Yogyakarta on 3 May 1939. He is a translator and free-lance writer. He obtained a B A degree in Publicity and Community Science from the Faculty of Social and Political Sciences of the University of Gadjah Mada in Yogyakarta in 1960. From 1957 to 1960 he taught at a number of secondary schools in Yogyakarta and Semarang. He participated in the preparation of a book on the military history of Military Region VII/Diponegoro and later worked in the secretariat of the Asian-African Publishing Bureau in Colombo, Sri Lanka (1965). From 1971 to 1978 he was a farmer on Pulau Buru. He is active in writing for several magazines and daily newspapers. He also writes and presents broadcasts of literary and theatrical criticism on the Indonesian radio in Yogyakarta and Semarang. In addition, he translates many books from foreign languages. [Text] [Jakarta PRISMA in Indonesian No 9, Sep 81 p 95] 5170

SIGID PUTRANTO KUSUMOWIDAGDO--Sigid Putranto Kusumowidagdo was born in Jakarta on 23 August 1951. He is a teacher in the Faculty of Social Sciences of the University of Indonesia and has been assigned to the National Cultural Research Institute (LRKN-LIPI). He is also a member of the Team for the Formulation of Concepts of Educational Policy under the deputy minister for youth affairs. He has attended lecturers in the Faculty of Economics at Stockholm Universitet in Sweden (1970-1971). He graduated with a B A degree in political science from the Faculty in Social

Sciences of the University of Indonesia in 1979 and obtained a M A degree in political science at the University of Washington in Seattle, United States, in 1980. He is also active in research activity at the Faculty of Social Sciences of the University of Indonesia and attended a congress on Regional Arms Transfers in Bellagio, Italy (1979). [Text] [Jakarta PRISMA in Indonesian No 9, Sep 81 p 95] 5170

SUTOMO ROESNADI--Sutomo Roesnadi was born in Bandung on 9 January 1939. He is a teacher in the Faculty of Social Sciences of the University of Indonesia. He obtained a M A degree in international relations from the University of Hawaii (1964) and a Ph D degree in the same field from Jawaharlal Nehru University, New Delhi, India (1971). He was a secretary of the Indonesian Embassy in New Delhi (1967-1971) and was director of Indonesian Development Studies in the Faculty of Social Sciences of the University of Indonesia (1977-1980). He has taken an active part in research and seminars in Indonesia and overseas. He writes in various mass media on foreign relations and Third World questions. [Text] [Jakarta PRISMA in Indonesian No 9, Sep 81 p 95] 5170

WIRATMA SOEKITO--Wiratmo Soekito was born in Surakarta on 8 February 1929. He is a columnist on political and cultural matters; a teacher in the Academy of the Theater, Jakarta Art Institute; and a member of the National Defense Institute, in the Social and Cultural Sector. He has worked as a commentator on Indonesian Radio and Television, was a member of the Mutual Assistance Parliament [DPR-GR, a body established by President Sukarno in the early 1960's], a member of the Working Body of the National Cultural Consultative Body (BMKN), and was chief of Voice Broadcasts at the Jakarta studio of Radio Indonesia. [Text] [Jakarta PRISMA in Indonesian No 9, Sep 81 p 95] 5170

PROF DR SUKADJI RANUWIHARDJO--At the beginning of 1980 he began the countdown. He personally kept the calendar, crossed off the days, calculated how many were left. Therefore, he knew by heart how much longer he had to bear the "burden" of his post. On Tuesday, 10 November, Prof Dr Sukadji Ranuwiharjo was answering questions on the telephone from one of the deans of the university of which he was the head. The rector of the University of Gadjah Mada said in a few words: "whatever the case, the fact is that the letter of appointment [of my successor] has not yet been received." On the following day Sukadji left for France in accordance with an invitation which was already on his schedule. He had served two terms as rector of the University of Gadjah Mada, beginning in 1973, after previously serving as dean of the Faculty of Economics from 1966 to 1973. Sukadji often complained that he was always too tired. Nevertheless, the professor of economics must really have been happy. For during the history of the University of Gadjah Mada he was the only rector who was able to complete two regulation periods in office, without any controversies coming up. Perhaps one source of regret is that he was forced by circumstances to extend his period of service, while waiting for the choice of the new rector. And who was he to be? People are still busy speculating about it! Some 20 months ago Sukadji honestly said: "If I am allowed to do so, I would resign today. I am tired and want to rest. However, the minister always rejects my request!" What can be predicted about the future of the University of Gadjah Mada? People certainly think of it in terms of pictures, its capacity in terms of figures giving a certain impression. As the oldest "republican" institute of higher education, the university appears to carry its heavy historic burden easily. Its history adds its own weight. It began with one campus full of green trees, called Bulaksumur, with an area of 125 hectares. It developed to the point where it now has a total of more than 18,000 students from

every corner of Indonesia. They study at 18 faculties in 40 departments and specialties. The university has a research center, a teaching hospital, and a corps of more than 1,000 teachers. It has more than 20,000 graduates, organized in the Alumni Family of Gadjah Mada (KAGAMA), which is always ready to help and already holds various kinds of positions in nearly every part of governmental and private life. One of its attitudes once drew high praise from General Widodo. "Gadjah Mada students are sensitive to questions involving the community around them. However, they don't take disorganized action about them, because they live in the midst of these problems. This happens because the majority of them do not live in student dormitories. On the contrary, they live together with the lower elements of society, in the various kampongs." Sukadji replies to this: "This is too much directed toward our past history, but unless we have an awareness of the dynamics of Indonesian society as a whole, we will just become frozen and sterile in our attitudes." He was born as the son of a small farmer in Kesamben village in Blitar Regency, East Java. His parents certainly never dreamed that their son would develop into the rector of the largest university in the country. After completing his elementary education in the village of his birth, Sukadji entered State High School II in Kediri. He graduated in 1948, as the independence war was developing. He answered the nation's call by going into the guerrillas, becoming a member of Battalion C, Brigade XVI, in the South Kawi Command in East Java. With the experience of the armed struggle behind him he completed senior high school in 1952. He left for Yogyakarta and enrolled at the University of Gadjah Mada. Some 5 years later he obtained a bachelor's degree in economics. Two possibilities stood out before him. He could work outside the university or he could become a staff instructor. He chose the position of chief of the Bookkeeping and Accounting Section of the Central Railways Office in Bandung. He only spent 2 years there because the Faculty of Economics of the University of Gadjah Mada strongly pressed him to return to the campus. As compensation Sukadji was permitted to continue his studies.... He obtained his M A in 1961 in the Department of Economics of the University of California in Berkeley. ("Thus, unfortunately, I also became a member of the Berkeley mafia," he says jokingly.) In any case his doctoral dissertation was not written in that country. He chose his alma mater, the University of Gadjah Mada. Defending the dissertation, "Some Aspects of Inflexibility in the Production Function in Industrial Development in Indonesia," he was the first Ph D to graduate from his faculty in 1969. As he is a professor of economics as well as rector of the largest university, many people think that Sukadji must have a large salary. The son of a Blitar farmer who likes to speak in a matter of fact way says: "Before I held the top position, my income was larger." As an example, he mentions his experience in 1971. His family for a long time wanted to own its own home. The trouble was that his savings were never enough. Without his expecting it, a friend came to him and invited him to direct a research project. It was agreed that he would receive a salary of \$5,000 (Australian) per week. He completed the study in 7 weeks, and it was published with the title, "The Feasibility Study of an Industrial Estate in Cilacap." He said, "Suddenly I was rich, I had money. It happened that on the road to Kaliurang there was a man selling land for Rp 400 per square meter. I paid cash. That is the most expensive property I own." On Sitisonya Lane, hidden away in Kocoran Baru village, a few dozen meters from Bulaksumur campus, he built a house. Simplicity still characterizes the private life of the family. Particularly if compared with the homes of other young teachers, the shortcomings in its appearance are felt at once. Together with his wife, Soetarlinah, a graduate in psychology who also helped her husband by becoming an instructor, the professor and the rest of the family, on holidays and after work, are loyal to their "old wagon," a 1958 Opel. Budi Santosa, their eldest son, describes the

picture: "Daddy has given the order that the Holden car assigned to him cannot be parked in front of the house. The only one who travels in it is Daddy, each time he goes to the office." Sukadji has been blessed with four sons. In order, they are Budi Santosa (22 years old), who attends the Faculty of Technology of the University of Gadjah Mada, where he is studying to be an electrical engineer. Then come Budi Handayani (20 years old), who is following in his mother's footsteps in the Faculty of Psychology; Budi Wicaksono (19 years old), in the Faculty of Economics; and the youngest, Budi Yuwono (18 years old), who attends Bandung Institute of Technology, where he is majoring in industrial technology. "As the head of a university, I think that we are called on not only to produce many graduates but must also turn out graduates who have character. This is a challenge: how to avoid turning out graduates on a mass production basis, how to avoid turning out graduates with no firm point of view," Sukadji said. He continued, "Whether I have been able to do this, I leave to others. The essential thing is that the University of Gadjah Mada should not be a high-level trade school. It must be capable of turning out intellectually-oriented graduates!" Regarding the life of the academic community at the Bulaksumur Campus, Prof Sukadji said: "The university is not an office of the government. Here we obviously have the character of secular priests, in the sense that our behavior represents a consensus developed among ourselves. It is not necessary to have various kinds of tight rules. We are all adults. We should be aware of what we are doing, what we are doing right, what we are doing badly." [Text] [Jakarta KOMPAS in Indonesian 22 Nov 81 pp 1, 7] 5170

SIAUW GIOK TJHAN--Siau Giok Tjhan, former general chairman of the former organization BAPERKI (Indonesian Citizenship Consultative Body), died on Friday 20 November 1981, in Amsterdam, the Netherlands. The deceased leaves a wife and seven adult children. The deceased was born in Surabaya on 23 March 1914. After graduating from HBS [Dutch high school during the colonial period] in that city he went to work for the newspaper MATA HARI. He was active in the publication of other newspapers like LIBERTY (Malang), PEMUDA and SUNDAY COURIER (Jakarta), REPUBLIK (a monthly published in Surabaya which later became the official publication of BAPERKI). He was once editor of HARIAN RAKYAT (official publication of the Indonesian Communist Party). During his life the deceased was active in the independence and political movement. He joined in establishing the Indonesian Chinese Party (PTI) which aimed at turning Indonesian of Chinese descent into Indonesian democrats and patriots. After the proclamation of independence the deceased was appointed a member of the Regional National Committee in Malang and, at the beginning of 1946, a member of the Central Indonesian National Committee (KNIP). In the first and second Amir Syarifuddin cabinets (1947-1948) Siau held the position of minister of state for native-born Chinese affairs. Other positions which he held included that of member of Parliament during the federal period [DPR-RIS], member of the Mutual Assistance Parliament [DPR-GR, appointed by President Sukarno during the early 1960's], member of the Constituent Assembly, member of the Provisional People's Consultative Assembly [MPRS], member of the Supreme Advisory Council [DPA], and member of the Executive Council of the Angkatan '45 [Generation of 1945] organization. Siau was also once sent as a member of the Indonesian delegation, together with K H Agus Salim, to the First Asian Conference in New Delhi, a member of the Indonesian delegation to the Round Table Conference (RTC) in The Hague, and member of the Indonesian delegation to the United Nations in 1963, which was led by President Sukarno at the time. In his political activity the deceased later led BAPERKI toward the left (toward the PKI), to the point that he invited conflict with leaders of Chinese descent like Khoe Woen Sioe, P K Ojong, Ko Kwat Oen, and a number of other leaders. Because of

his leftist political activity the deceased was arrested on a number of occasions because he was considered to have become a member of the Indonesian Communist Party while not carrying a membership card (that is, the "black" PKI). This happened, among other occasions, in connection with the Medun Affair in 1948 and after the occurrence of the G-30-S/PKI affair [abortive communist-led coup of 1965]. After this status as a detainee was changed into that of house arrest and later city arrest, the deceased prepared his memoirs which he further edited after he went to the Netherlands in 1978 for medical treatment. [Text] [Jakarta KOMPAS in Indonesian 23 Nov 81 pp 1, 12] 5170

SUBROTO YUDONO--Vice Admiral Dr Subroto Yodono has been appointed Indonesian ambassador to the Federal Republic of Nigeria. He replaces Maj General Iwan Stambul, who has completed his tour of duty as ambassador. The Directorate of Foreign Information of the Ministry of Foreign Affairs, in its statement of Friday [27 November], states that Yudono was born on 1 September 1928 in Yogyakarta. In addition to military training in Indonesia, he also attended training courses overseas, including courses in India, the Soviet Union, the United States, and Italy. The last training course he attended was the Navy Staff and Command School in Jakarta. He is also an alumnus of the University of 17 August in Jakarta. He has served as commander of several Indonesian Navy ships, as inspector general in Navy Headquarters, as deputy commander of Defense Area II, as chief of staff for operations in the Ministry of Defense and Security. His last position before his appointment as ambassador was that of commander of Defense Area IV, with headquarters in Biak, Irian Jaya. He holds 16 decorations and service medals. [Text] [Jakarta KOMPAS in Indonesian 28 Nov 81 p 12] 5170

CSO: 4213/20

NEW AAA CAPABILITIES NOTED, BATTALION COMMANDER INTERVIEWED

Bangkok SU ANAKHOT in Thai 4-10 Oct 81 pp 11-13

[Article: "The Fifth AAA Battalion, a New Weapon of the Army"]

[Text] On Wednesday, 19 August 1981, in Thung Song Hong, Bang Khen Precinct, Bangkok Municipality, in his capacity as commander in chief of the army, General Prem Tinsulanon presided at a ceremony to lay the foundation stone of the headquarters building of the 5th AAA Battalion. This battalion was established only recently in order to sharpen the claws of the Thai army.

Prior to the Formation of the 5th AAA Battalion

The 5th AAA Battalion of the AAA Division was created in accord with RTA Order (temporary) 25/1981, which was issued on 3 March 1981. This was done because the army felt that the army had too few AAA units as compared with the number, size and importance of the targets which higher echelons had made the army responsible for defending against air attack in the event of an invasion by outside forces.

An aim of the army is to equip the 5th AAA Battalion of the AAA Division with modern weapons and materials in accord with present Nato and United States standards and to have personnel who have high technical knowledge for maintenance work. As for training, the officers will provide this knowledge and these capabilities. The Directorate of Operations, the Artillery Center, the Signals Department and the AAA Division are the ones responsible for implementing this. Also, they have made arrangements to send officers abroad for training.

What Will the 5th AAA Battalion Have?

Based on data provided by government officials, the 5th AAA Battalion will be composed of the following:

1. 5th Battalion Headquarters: one building.
2. 90-man barracks: one building.
3. Garage for 25 vehicles: one building.
4. Mess hall for 500 men: one building.
5. Non-commissioned officers billets: one building.
6. Colonel's house: one building.
7. Gas station: one building.
8. Armory: one building.

All of the above will be constructed on army land. It has been stipulated that construction will be completed in 1983.

Combat Capabilities

The 5th AAA Battalion is the starting point in developing the army's air defense capabilities. It has been strengthened more than other battalions with a system of modern antiaircraft weapons so that things are in line with the capabilities of the present attack aircraft (of the enemy). These aircraft have been quickly improved concerning speed and concerning capabilities for carrying weapons and bombs with which to destroy targets in Thailand.

The fierce weapons of the 5th AAA Battalion include:

1. 40-millimeter AAA guns made by the Boford Company in Sweden together with fire control radar from the Netherlands. There are two companies, or approximately 24 firing units, with each company having 12 firing units and each unit having six AAA guns.
2. 20-millimeter Vulcan AAA guns from the United States. These are considered the most efficient U.S. AAA guns presently in regular use. These are antiaircraft guns that are used in forward areas to defend against attack by enemy aircraft that fly in low. They have an efficient radar fire control system that is attached to the base of the gun. There are two companies of these guns, just as there are for the 40-millimeter AAA guns.

Concerning the qualities of the 5th AAA Battalion, the main duty of each battalion is to provide air defense for strategic communes where important facilities or forward units are located, examples of such facilities being power plants, oil refineries, bridges and dams. They are also responsible for firing on and destroying other ground targets.

To Whom Is the AAA Battalion Subordinate?

The 5th AAA Battalion was established as a unit directly subordinate to the army but the army has turned command over to the AAA Division. It is a very special battalion in that it is not subordinate to the 1st or 2nd AAA regiments. The 5th AAA Battalion has a strength of 900 men, and, therefore, it is considered to be the best battalion that the army has ever had.

The commander of the 5th AAA Battalion is Lieutenant Colonel Phairot Phanitsamai, an officer who is personally close to General Prem Tinsulanon. The 5th AAA Battalion is, without question, a direct force, or weapon, of General Prem.

Summary: an Investment That Must Be Proven

The intention of improving the efficiency of the Thai army and making it stronger so that it can defend the fatherland is correct. Even though the economy is making things very difficult for the people, when it is necessary to defend the nation's independence, the people are fully prepared to make financial sacrifices through their taxes. But the lesson that the Thai people have learned concerning the army is that in the past the army has been the tool of many small groups of soldiers. These groups used the weapons only to maintain their own power in various ways.

The 5th AAA Battalion must prove whether or not it is really worth the money that the people have spent on it. If so, the people can place their trust in it.

[Interview with] Lieutenant Colonel Phairot Phanitsamai, the commander of the 5th AAA Battalion

[Question] What were the objectives in forming the 5th AAA Battalion?

[Answer] The same as for other military units in general. That is, it is to provide air defense because, at present, [the efficiency of] our antiaircraft weapons is not on a par with the efficiency of enemy aircraft. By forming this battalion, we will greatly increase the efficiency of our air defenses since we will be using an electronic fire control system. In the past, we fired by [manually] aiming the guns. This method was used to defend against inefficient types of enemy aircraft, but, at present, we must have tools to fight against modern aircraft. We wanted to establish this battalion a long time ago but we received permission from the army only recently. I believe that this will be the first unit to have modern antiaircraft weapons. But at present, we still do not have any weapons. The weapons have just begun to arrive. Things will be completed in the next 2 to 3 years.

[Question] What electronic equipment will you have and how much will it cost?

[Answer] There will be two types of antiaircraft guns, L70 Borford guns (from Sweden) and Vulcan guns from the United States. And an important thing is the fire control equipment (flycather), which can adjust the position of the gun. The total cost is more than 1 billion baht.

[Question] How effective will these be in defending against enemy air attacks?

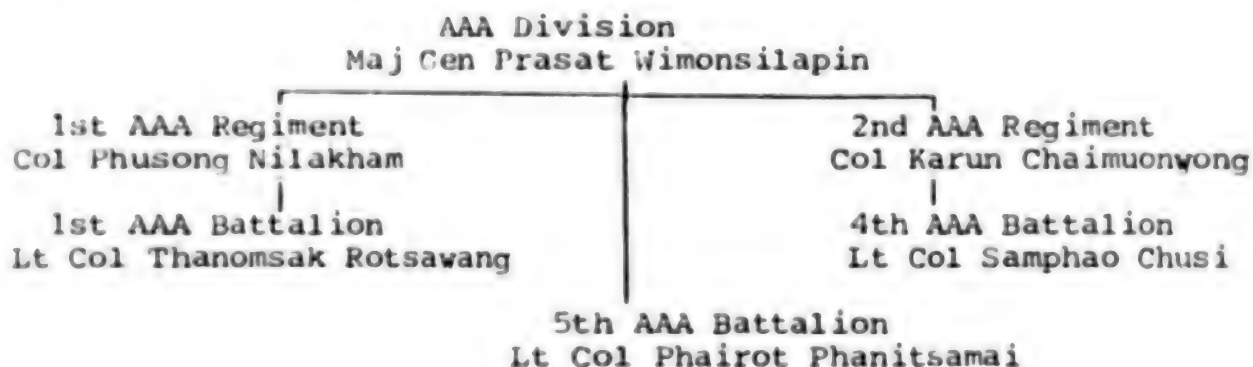
[Answer] Concerning these antiaircraft guns, you must first understand that the task of AAA is to help defend important communes and military units from air attack by shooting down invading enemy aircraft. But you must understand that the first means of intercepting enemy aircraft is the air force. But if they slip through, the AAA must take responsibility. In modern warfare, the use of aircraft is very important, as in Israel for example. As for AAA, things depend on what the army orders. We have the capability to move our forces anywhere; we will not defend Bangkok only. Our task is to defend Thailand. We can move the AAA to fight anywhere.

[Question] What are your feelings about being the first commander of this battalion?

[Answer] As for being the first commander of this battalion, I feel very happy about being with a battalion that is presently the most modern one in the army.

[Question] There have been news reports that you were made battalion commander because you are close to General Prem Tinsulanon, the prime minister and commander in Chief of the army. [Is this true?]

[Answer] Actually, that is not correct. Many people with my rank have already been made battalion commanders, and I have been an AAA officer ever since I was a sub-lieutenant. I started in this branch and this is on schedule for me.



Note: Colonel Phusong Nilakham is a member of Class 5, Chulachomklao Royal Military Academy [CRMA], the same class as Col Suchinda Kharaprayun, Col Isaraphong Nunphakdi and Col Narong Kittikhachon; Col Karun Chaimuonwong is a member of Class 8, CRMA; Lt Col Thanomsak Rotsawang is a member of Class 13, CRMA, the same class as Lt Col Ronchai Sisuwaran, Lt Sol Suraphon Chinachit and Major Sanchai Bunthariksawat; Lt Col Samphao Chusi is a member of Class 12, CRMA; and Lt Col Phairot Phanitsamai is a member of Class 17, CRMA, the same **class** as Major Nikon Hamkhamphai and Lt Col Ut Buongbon.

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EX-CPT INTELLECTUALS CITE PARTY IDEOLOGICAL SHORTCOMINGS

Bangkok TAWAN MAI in Thai 12 Oct 81 pp 20-26

[Article: "Will the CPT Reform Itself In Time Or Not?"]

[Text] This document was prepared by a group of intellectuals who call themselves the "New Friends" group. Most of the intellectuals in this group once went and cooperated with the CPT. Furthermore, TAWAN MAI received this document a long time ago but did not print it for various reasons. But now, TAWAN MAI feels that the various ideas presented in this document should be studied deeply. What is right or wrong in the article will be left for the reader to judge.

The Important Problems In the Movement; Basic Problems and Reasons

The important problems in the movement:

1. A psychological and philosophical way of thinking is a basic aspect and it greatly influences the leadership of the movement.

2. The **Thai** revolutionary movement is lacking in theory, and the party over values the thinking of Mao Tse-tung. Even though the teachings of Marxism-Leninism and the thought of Mao Tse-tung are repeated ad nauseam, in reality, the thing that has happened in the movement is that:

(1) The basic teachings of Marxist-Leninist theory have been neglected.

(2) Many of the official theoretical documents of the party are copied from those of the Chinese Communist Party and even the style of writing is the same. Also, most analyses of the peasant class are similar to those for Chinese society. (This can be seen in many

of the documents that are used as official party training documents, such as the Thai Revolution, seven chapters, Creating Secure Bases, Forming the People's Army of Thailand, and so on.)

(3) Research concerning the actual nature of world society and of Thai society, which are in flux, has been neglected. No attention has been given to the fact that this theory was generated by the historical conditions of a particular period and that when the conditions, or period, change, theoretical principles must develop too. No theory remains completely true forever. They do not dare summarize the lessons and create their own theory.

(4) They are not interested in studying the progress made by the capitalist system, for example, the establishment of modern organizations and modern administration.

(5) They are incompetent strategists and tacticians. They simply copy and use the strategical and tactical forms of the Chinese without going into the conditions and spirit of these forms. And they do not try to find out what the special characteristics of the Thai revolutionary movement are. For example, they emphasized only military fighting and abandoned political fighting. Finally, 14 October occurred spontaneously. (Even though some people from the party's organizational committee went and took part, they did not have a clear strategical and tactical understanding nor did they have targets and policies that had been stipulated by the party; rather, things occurred spontaneously). Attention has been focused on the peasants while party leadership of the laborers has been neglected for 10 years. Thus, activities on the labor front were dismal until after 14 October, which occurred because the struggle of the liberal intellectuals awakened the laborers. The fascist enemy carried on suppression but why didn't they know how to twist and preserve their forces. When the time came to take the offensive, they were not able to advance (leaning left as after 14 October). When it was time to retreat, they retreated in disorder (everyone went into the jungles and abandoned the city as happened after 1957 and after 6 October). They were not tacticians who could quickly shift the movement amidst the rapidly shifting currents of the revolution. They became a group that was constantly manipulated.

3. The way of building the party is not correct. [The party] has not formed revolutionaries who are the combat vanguard of the working class. Instead it has raised large numbers of hermits and "kindergarten students". The characteristics are as follows:

(1) It has emphasized life views, morality and a mental state of serving the people. It has divorced itself from a world view. It has not stressed forming politicians, strategists-tacticians, leaders or a capable vanguard of the laborers and masses that has a role to play in leading the masses in the struggle. Large numbers of people

have been trained for long periods. They have not been immersed in the struggles of the masses. On one hand, this is an effect resulting from the Great Cultural Revolution in China. On the other hand, it stems from the strategic error of neglecting activities in the cities. City activities do not hold a strategic position for them. They have held tightly only to the 16 points that form the basic aims. The result is that there are large numbers of moral revolutionaries who know only how to punish and reform themselves (what is called self-criticism). But they lack political capabilities and they are not accepted by the masses in the field of political leadership (if it were in the field of life views, they might be acceptable but sometimes there are leftist leanings). This gives rise to the phenomenon that the capable people do not have an organizational position or control organization, while those who control organization and lead do not have these other capabilities and thus create a group of hermits.

(2) Take thinking. A framework for thinking has been created and those who follow will be able to answer all questions easily. They will not have to search for the facts or study much from others. If they have any question, they can ask the organizational [committee]. The many completed formulas are transmitted from one group to the next. For example, during the period of sham democracy, if someone says that he is interested in carrying on the battle in parliament, he will be blamed and someone will protest that the party is abandoning the work in the city. He will be blamed for dreaming, for wanting to have an easy life, for wanting to be a lone hero (others have done this) and for being egotistical (you do not know all sides). Concerning this movement, the seals and hats are like goods flooding a market. Phrases such as walk to the tune of rectification, the small capitalists are irresolute, people are confused by the enemy's tricks, and the Soviet path are heard everywhere, since there are easy answers to all questions and complete formulas for each matter. Thus, the rank and file and the **revolutionary** masses who have been cultivated are like people who cannot use their minds or think. They lack the ability to search things out and analyze things for themselves. If there is a problem, they can just wait for an answer or formula from higher echelons; they cannot really rely on themselves. Besides this, because these people were not cultivated amidst and immersed in the struggles of the masses but were instead cut off from the struggles of the masses, their inner lives resemble a confessional with the emphasis on rectifying errors in thinking, solving personal problems and giving comfort to each other instead of stressing strategical and tactical problems. This has given rise to a situation in which they are like kindergarten students who cannot bear to be separated from their teacher or parents, who need to be comforted, who cannot tolerate misunderstanding, who need an answer to every question and a formula for every problem and who require comforting attention.

4. Democratic centralism has been trampled on. The party building program resembles the government system, which lacks efficiency. The principles and regulations of the party concerning democratic centralism have been put aside and violated. They have not been followed for a long time, temporary provisions being cited. This has led to a dictatorial situation concerning thinking. Many of the leaders feel that democracy is only a means that is to be used if necessary, otherwise not. But centralism is a goal and a principle. The principles of democratic centralism are:

1) It must be ensured that the majority can control the leaders. The thing that is important here is holding elections at definite times.

2) It must be ensured that the views of the minority are respected, that they have the right to hold [these views] and that they be given a chance to express them to the majority for decision. These things have not been respected or actually carried out.

What has actually happened is that this system has been in effect for a long time and cannot be gotten rid of. In China it is called the rank and file policy, like a "steel rice pot" (if the pot falls or is hit, it does not break and people must eat from it their whole life). With such a system, how can the majority control the leaders? The leaders do not have to be responsible to the masses because they were elected; they only have to be responsible to the upper echelons.

Even worse, a phenomenon that has arisen is that the views of the minority are suppressed and they do not have the right even to hold such views. The following are applied to those who hold different views: "people with problems in their thinking," "an incorrect path," "an insecure standpoint" and "the appearance of small capitalists"; for example. There are formulas concerning standpoints, views, methods, explanations and understanding. And because the leaders represent party policies, which represent the workers, the leaders naturally take the standpoint of the workers. Those who hold views that differ from those of the leaders concerning both viewpoints and methods naturally have to retreat to a standpoint that is not that of their class.

The structure of the party thus resembles the government system since there is no place for different viewpoints. The characteristic of the construction program is that few dare to act or dare to take responsibility and this is the same as for government officials who do not dare to make decisions, who are conservative and who wait for directions. Besides this, in addition to the fact that bad people are involved, the "steel rice pot" policy makes the system so unwieldy that there is no efficiency. The people who have power

concerning organization do not understand the work while the people who do the work and understand the situation do not have organizational power.

What Is the Main Problem?

The main problem is the out-dated thinking that dominates the movement. Most of the people in the movement are good people but they have been filled with incorrect and out-dated ideas. New and correct ideas are in a secondary position and are still weak. These old and out-dated ideas that dominate the movement are the cause of many mistakes, both political and organizational.

The Causes of the Problems

1. Historical limitations and the social origin of the party:

The CPT originated before society developed and entered the revolutionary period. In other words, it originated in a society that was still in a pre-revolutionary period. The struggle of the laborers in the period before the birth of the party and in the period when the party was formed did not originate from the maturation of the class struggle in the country. About 70-80 percent of the laborers were Chinese from abroad. A movement was created with the guidance of nationalist ideals and it was affected by the class struggle in China, even though the united centers of Thai industry were very weak and small. Most were still at the handicrafts and small industry stage. Industry in Thailand really began to expand after the promulgation of the investment promotion law during the time of Sarit in 1960 [and has continued to expand] up to the present. Besides this, the foreign Chinese laborers did not have relations with the Thai peasant class. The formation of the party did not arise from any modern movement of intellectuals who were imbued with Marxism-Leninism and who joined in the struggles of the laborers (in an underdeveloped country, the role of the intellectuals is that of an unbreakable link since the cultural level of the laborers is so low). Rather it was formed because of pressure from the South [China] Sea branch of the Chinese Communist Party and from the Indochinese Communist Party, which were both part of the Comintern. Thus, the main reason for the birth of this party was because of pressures from abroad and not because of any domestic pressures or development by society. The result was that there was no incentive to create a revolution that was in harmony with the special characteristics of the country. Instead, a situation arose in which [the party] was so tightly bound to the Chinese Communist Party that it can be said that it was an ideological slave.

This occurred because the party was not born amidst the high tide of struggle of the laboring class and Thai people. It lacked a large group of modern intellectuals armed with Marxism-Leninism who could

study various aspects of society and serve as a link in bringing Marxism-Leninism to the laborers and peasants. After China was liberated and the Thai ruling class began to suppress the Chinese labor movement and after the Chinese began to take great strides forward in Thailand during the period of Field Marshal Phibun and Phao after the coup of 1947, after the Second World War, Field Marshal Phibun lowered the quota for Chinese refugees entering Thailand from tens of thousands per year to only several hundred per year. Along with this, Thai peasants began to start working as laborers. This resulted in a gradual change in the Thai labor market to the point where most laborers of the new generation (in the period of Sarit) were Thai. They had no connection with the trade union movement. During that period, the party used the Chinese path of having the countryside surround the cities. It thus went into the countryside and again a tendency arose to neglect activities in the cities. Because of neglecting the laboring class and the intellectuals, in that later period few young laborers or intellectuals belonged to the party. The overwhelming majority were peasants and small capitalists who had been involved because of Chinese cultural activities, which were the foundation of the activities among the Chinese in the past. The rest were old leaders of the older generation of intellectuals and a small number of the upper-class Chinese in Thailand.

2. Limitations of the Period

The older members of the party were born and grew up during a period in which world conditions were as follows:

- 1) In that period, revolutionary lessons from abroad were provided only by Russia and China, and Chinese and Thai society were more similar to each other than they were to Russia.
- 2) At that time, China was the only fortress for socialists who opposed Khrushchevism, which had stopped the class struggle.
- 3) Concerning the revolutions in underdeveloped countries in that period, only the revolution in China succeeded.
- 4) There were few real lessons in socialist construction. The conflict between the various socialist groups, which was a conflict over theory, was important. Few experiences had been accumulated from actual activities of the international communist movement and, therefore, they could not be used to check and develop theory concerning socialist construction.

On the other hand, the new generation (the generation of 14 October and those who followed) was born and raised in a period in which:

1) In China, which had been the reliable fortress of the older generation, things were confused. Many terrible events in that country were revealed and the value of Mao Tse-tung's thought was re-evaluated.

2) There were quite a few revolutionary lessons from underdeveloped countries such as Cuba, Vietnam, Laos, Kampuchea, Angola, Mozambic, Guinea-Bissau, Zimbabwe and Nicaragua.

3) There are lessons from the socialist systems in more than 10 countries that must be summarized in order to further develop Marxist-Lenisist [theory] concerning socialism and capitalism.

In summary, the causes of the problems are:

1. The CPT came into existence before the conditions in Thai society were ripe and before the creation of a modern Thai laboring class.

2. The struggles of the Chinese laborers in the past (before 1947) resulted mainly from the pressure of nationalism and from the effects of the Chinese revolution.

3. The CPT did not originate from a Thai intellectual movement that started from a modern educational movement, that made use of Marxism-Leninism in coordination with the class struggle of the laborers and that was coordinated with research concerning the real conditions of Thai society, which would have formed the perfect theoretical basis of the party.

4. Instead of having a perfect theory (originating from using Marxism-Leninism in coordination with doing research on the various aspects of Thai society), the thing that happened was that the lessons of the Chinese revolution were copied and used in an inflexible and patterned way. (In the beginning when Thai society still shared many things in common with Chinese society, the bad effects of this were not clear but at present, the country's political, economic and social situation has changed greatly and, therefore, the problem has manifested itself.) Besides this, it was unavoidable that the changes in China would constantly affect the CPT.

5. [The ranks of] the party and army have been flooded by peasants, small capitalists and small producers. They have formed the social base for various types of psychological and philosophical ideas that have been expressed widespreadly. The thing that has been missing is large numbers of young intellectuals and laborers.

6. The limitations of the different periods of the two generations in the party, the complete separation from society, the older generations's long lack of information about the outside world

and the old ideational framework that was developed by party building and used for a long time have all created a large gap between the people of the two generations.

The Path of Development of the Thai Revolutionary Movement

1. The Thai revolution's path of development concerning theoretical thinking and political paths:

The changing conditions (Thai social conditions, international conditions, problems that have arisen in the party and so on) have made it possible to see the mistakes and the inadequacy of the old theoretical concepts and political banners. These have proven that the old theoretical concepts and political banners are incapable of scientifically explaining the facts and problems that have arisen and of guiding the revolution forward and that they are not a source of combat solidarity for the various revolutionary forces. Thus, the situation calls for new banners that can scientifically explain the facts, lead the revolution forward and be a real source of combat unity.

At present, it can be said that the situational needs resemble the personal needs of the rank and file, of the united fronts and of the masses. This can be seen from the fact that there is now a widespread atmosphere of examining and criticizing theoretical thinking and the old political ways. The lessons of the Thai revolution are being reviewed, collected and summarized. The realities of Thai society and its development are being studied in great depth. The lessons of the international revolutions, especially those in the underdeveloped countries, are being studied widely. And the theoretical foundations of Marxism-Leninism are being studied. As for the rank and file members, there is no narrowness of vision as before but instead a greater interest in the problems of all sides. This all means that, at present, among the rank and file, the united fronts and the masses, there is a new and widespread high tide of study and discussion concerning the important problems of the revolution. This great zeal found among these people today has never before been found in the Thai revolution.

Discussing things based on the situational and personal needs mentioned above and on the conditions in which we have revolutionary intellectuals who are the product of developments in Thai society and who have had a number of political experiences, we can say that, in the Thai revolutionary movement, the situational conditions are ripe for generating our own theoretical concepts and political paths that are scientific and that are in accord with the realities of Thai society. This is the Thai revolution's path of development concerning theoretical thinking and political paths.

Concerning these new theoretical concepts and political paths that are rapidly coming into being and developing at present, even though there are still weaknesses and imperfections since these are still new, basically, these are more scientific and they are more correct. They did not originate because of the cleverness or personal needs of some group alone but are the result of the ripe situational foundation of Thai society and the Thai revolutionary movement. Thus, their path of development consists of developing in the right direction and becoming more complete, gaining victory and finally replacing the old theoretical concepts and political paths. Whoever opposes this path will in the end be isolated and repudiated by the various revolutionary forces.

The Situation Concerning the Formation of the Thai Revolutionary Movement

At present, if we consider the various groups in the Thai revolutionary movement from the standpoint of how they think, we can divide them into three major groups:

1. The group with out-moded thinking (the conservatives): Most of the people in this group are in the party. In general, they control organization at various levels. They have many secure positions with both the old and new rank and file members. This group still has much power, including both psychological power -- meaning that they have their own theoretical concepts and political paths that form a system -- and power concerning organization and materials. Thus, they will be able to survive for a long time.
2. The group with modern thinking: Some people in this group are still in the party, some have left the party and formed new groups and some have left the party and are scattered here and there. This group's weaknesses are that its theoretical concepts have not been presented in a systematic and unified way, organization is dispersed and weak and there is a lack of unanimity in fighting. From the standpoint of the path of development, this group has a long future.
3. The group that is still in a state of confusion: As for the people in this group, some are still working with the party and others have left. Most are lower and middle echelon rank and file members who are close to reality but who are still confused by the changes in the situation.

Some people who left have formed a relationship with forces outside the country while others have formed a relationship with the ruling class by attacking the party. Concerning these people, because the ruling class has opened a way for them and they have received support, they too should be able to survive for a long time. At present they are putting great pressure on the various revolutionary forces.

Besides this, there are also democratic forces and various political groups that are struggling against the reactionary ruling class and an attempt is being made to join together and have unity in the struggle.

Will the Party Be Able to Correct Things and Reform Itself In Time?

We will discuss things from the standpoint of unfavorable conditions that are obstacles to reform and from the standpoint of favorable conditions that aid reform.

Unfavorable conditions:

1. The group with out-moded thinking (the conservatives): In general this group has organizational power and controls the organizational mechanism of the party, especially at the level of the party's high-echelon organizational committee.
2. The old ways of thinking have been nurtured and have had deep roots among the various echelon members for a long time. Their strength derives from the fact that people are used to these old ways of thinking.
3. This conservative group has achieved much in the revolution and because of this they are arrogant. They look down on the ideas of others and slight studies concerning their own mistakes and weaknesses.
4. In general, these conservatives are people who separated themselves from society and cut themselves off from the outside world a long time ago.
5. The organizational structure of the party is inflexible and lacks democratic characteristics. The result is that different views have no foundation on which to stand, they are not respected and there is no opportunity for them to be disseminated to the majority of the rank and file. This is an important obstacle in making changes.
6. The new thinking has not been presented in a systematic and complete way. The struggles of the modern thinkers still have weaknesses concerning both content and tactics.

Favorable conditions:

1. The changed situation (the international situation, the Thai social situation, the problems in the movement that have appeared and so on) forms the situational basis for a serious attack on the old ways of thinking. It accuses the old ways of thinking of having made mistakes. At the same time, it provides great energy for the struggle of the new way of thinking.

2. The rank and file in the party and in the revolutionary movement are mostly good people (although they may think incorrectly and make mistakes). These people want the revolution to succeed, and they want to avoid the losses that can occur. Most of them are close to the real situation. They have begun to see the mistakes and the disharmony of the old ways of thinking. They have carried on a struggle and have struggled against the old ways of thinking. And they have improved work in those spheres for which they are responsible (accepting a new strategy, for example). Even though their assent and movements are not constant, the trend of this group is to develop along this path day by day and grow continually.

3. The old way of thinking is not scientific and is not in accord with reality. Thus, its foundation is very weak. Even though it occupies a dominant position at present, it is not secure. It has a path but this path is being repudiated by more and more people all the time. Conversely, the new way of thinking is more scientific and correct. Thus, its foundation is very strong. Its path of development is one of receiving greater acceptance by more and more people every day.

4. After the rear was cut off, international support declined and the changed social situation made it necessary for the people to rely on the city and to cooperate more with the city, the conservative thinkers could no longer deny the importance of the cities or be contemptuous of the ideas of the rank and file in the cities.

5. The party does not have the power of the state. Concerning the leadership power of the party, the important thing is that it must still rely on voluntary acceptance by the rank and file and the masses, which is different from a party that already has the power of a state, which has coercive mechanisms, or forces, that serve to bolster leadership powers.

6. The new way of thinking will begin to crystalize and gradually achieve greater independence. The modern thinkers have summarized the lessons in the struggle, rectified their deviations, overcome their weaknesses and improved tactics in the struggle.

Having listed both sets of conditions as done above, we see that the party will probably be able to reform itself. But the important question is whether the reforms will reach to the core or whether they will only be superficial reforms? (It should be noted that, to date, they party has never criticized itself seriously.) Also, will these reforms be made in time? If reforms are not made in time, this may lead to great losses. At a time when the situation and various conditions are undergoing rapid changes, it is difficult to make an assessment of this.

The Path of Development Concerning the Organization of the Thai Revolutionary Movement

The banner of theoretical thinking and the political banner have been the life lines of the organizational committee in the past. The conflicts concerning theory and politics in the Thai revolutionary movement have expanded greatly. The fact that problems have not been solved in a correct or timely manner has further increased the severity of these conflicts. The result of these conflicts has been organizational conflict.

In discussing the present situation concerning these conflicts over theory, we can expect that the conflicts in the organizational committee that surround the old theoretical banner and political path will continue to expand since the systematic theoretical and political banners have not been clearly raised. Thus, the modern thinkers will not be able to have a unified organization, and the organizational situation that has spread everywhere will continue to exist for awhile.

But "all parties come to an end" and it is the same for the present conflicts concerning theoretical concepts and political paths. These conflicts will not continue indefinitely. After studying and exchanging ideas in a serious way, the conflicts will gradually subside and there will be unity. In the end, the banners of the new theoretical thinking and political paths will be raised high. And from this will come cooperation and conceptual and political unity. The dispersed organization of the present will be forced to come together again and be unified under the banners of the new theoretical thinking and political paths. We expect the organizational element of the Thai revolutionary movement to develop along this path. But the actual shape can still take several forms. For example, will the party be able to reform itself in time? Will the modern thinkers be able to raise all their banners and be a focus of unity for the various revolutionary forces? In particular, when will the enemy again carry on a major operation to destroy the revolutionary forces? This is because the internal struggles and movements to reform the party and the creation of a new form for the movement are good, all of which is happening amidst the life-and-death class struggle with the enemy. The enemy is using every means possible to destroy the revolutionary forces. We can see this clearly from their suppression activities after they issued policy 66/1980. Thus, it will be difficult for the revolutionary forces to avoid taking losses. We can only try to defend ourselves and keep the losses as low as possible and use the time to reform the movement so that it continues to exist.

We have mapped out the major path. But what the actual form of the changes will be and how large the losses will be will have to be proven by the actual development of the situation.

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